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ABSTRACT

Gathered are statements of copyright and patent policies in effect at 13 universities. In some cases policies concerning publication and sponsored research are included. The statements are reproduced exactly as received from the institutions, without interpretation. The universities participating are: Boston University (Massachusetts); California Institute of Technology; Cornell University (New York); Massachusetts Institute of Technology; Purdue University (Indiana); The Rockefeller University (New York); University of California; University of Connecticut; University of Georgia; University of Pennsylvania; University of Southern California; University of Virginia; and Washington University (Missouri). Supplements dated 1978 from the Administrative Service bulletin, entitled "Survey of Institutional Patent Policies and Patent Administration" and "Patents at Colleges and Universities," are included. The first summarizes results of a 1977 survey by the Society of University Patent Administrators. The second is a brief state-of-the-art statement on the nature and scope of research and the elements and issues of technology transfer. (MSE)

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Patent and Copyright Policies at Selected Universities

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NOTE

The pages herein were reproduced (but sometimes regrouped) as submitted to NACUBO, the only difference being the addition of special page numbers for this publication. There are two pagination systems in this book, which are partially redundant. The first is the customary one: a single sequence from front to back, pages 1 through 87. The page numbers located slightly above the center of the page in the outside margin serve this purpose, and are keyed to the table of contents. The second system, upon which the first is imposed, is alphabetical by institution. The page numbers for this purpose are located at the lower left-hand corner of each page, and serve to readily identify the institution.

If an institution has separate policies for patents and copyrights, such as the University of California, the patent policy is listed first. Some institutions, such as Purdue, have a single policy that applies to both patents and copyrights. And other institutions, such as Washington University, have a patent policy, but no copyright policy. However, the lack of a copyright policy in this publication does not always indicate that an institution has no copyright policy; in some cases, that policy is being revised (as are some of the patent policies), and the institution chose not to submit its policy for that reason. The table of contents includes codes for determining whether an institution's patent policy only (P) is listed or both its patent and copyright policies (P & C) are listed.

INTRODUCTION

Patent and copyright policies serve to document the rights and equities of the originator, university, sponsor, and society. Such policies should also provide an incentive to creative intellectual effort and to scholarship and research through the royalty arrangements they or their implementing guidelines contain. Through patents and copyrights, new knowledge is placed in the public realm, and commercial application may be effected in an orderly manner.

This volume does not present a list of the elements that should appear in a patent or copyright policy; such elements vary, depending on the institution. Rather, it includes actual policies in use at selected universities; some are general, some specific, but taken as a whole, they illustrate the range of possibilities. In some cases the policies cover more than patents and copyrights; they may include sponsored research and publication. (Also see the note on page iv concerning separate or combined policies.) It is hoped that this compilation will serve as a guide for persons wishing to create, improve, or simply review their own institution's patent and copyright policies.

The policies appearing on the following pages are provided for information only, and their inclusion does not imply endorsement by NACUBO. The following are hereby acknowledged for the willingness of their officers to share with others their patent and copyright policies:

Boston University
California Institute of Technology
Cornell University
Massachusetts Institute of Technology
Purdue University
The Rockefeller University
University of California
The University of Connecticut
The University of Georgia
University of Pennsylvania
University of Southern California
University of Virginia
Washington University

And finally, this publication would not have been possible without the help of Raymond J. Woodrow, of Princeton University.

BOSTON UNIVERSITY PATENT POLICY AND MANAGEMENT

The patent policy outlined herein is adopted by the Trustees of Boston University in order: to protect the interest of Trustees of Boston University in any patent in which it might have an equity; to protect the reputation of the University against possible public criticism resulting from such patents; to stimulate initiative in faculty and staff by allowing retention of certain rights in patents or inventions; and to fulfill contractual obligations to sponsors of research.

1. Patent Policy

A. In order to protect the public good and the general character of Boston University, and in order to fulfill obligations to research sponsors, Trustees of Boston University will claim its equity in all discoveries and its right to acquire the title and control of patents on such discoveries where these are made by employees or students (including all types of trainees or post-graduate residents or fellows) working on research programs supported in whole or in part by funds, personnel or facilities provided by or administered by Trustees of Boston University. Under such patents, with patent management in Research Corporation as recommended herein, the normal arrangement for distribution of royalties shall be to reserve 15% for the inventor and to divide the remainder 50-50 between Trustees of Boston University and Research Corporation. In some instances where patent management is held directly by Trustees of Boston University, the Trustees will normally reserve 15% for the inventor and receive the remainder itself. In other instances the terms of a research grant from an outside sponsor may require that the sponsor receive any patent. -1-

B. In order to stimulate initiative in faculty, staff and students in pursuing new discoveries, Trustees of Boston University shall promise to respect the inventor's interest in the discovery, to help in determining its patentability, and to help provide the inventor with a fair and equitable share in any royalties which may be forthcoming from any patent where Trustees of Boston University assert a claim to the title and control of a patent, unless a research sponsor is entitled to the patent.

C. Where a discovery is made by an inventor outside of any program conducted by Trustees of Boston University with which the inventor was connected, and where Trustees of Boston University did not provide or administer any funds, personnel, or facilities for work on the lines leading to the discovery, the discovery shall remain the exclusive property of the inventor or his sponsor. Trustees of Boston University shall not construe payment of regular salary or provision of normal academic environment alone as constituting grounds for equity in such a discovery.

D. Trustees of Boston University shall require that all employees and students report all potentially patentable discoveries to the appropriate responsible administrative head as soon as possible after making such a discovery.

1. Patent Policy (Contd.)

E. A University Committee on Patents shall be formed, with duties as indicated herein and with such other duties as may be assigned to it. The majority of the University Committee on Patents shall be members of the faculty. The Committee shall review all discoveries and determine in which category the discovery falls; i.e., whether or not an equity exists in Trustees of Boston University or a research sponsor and whether a patent should be sought. The decision of the Committee is then subject to review by the President of the University, who shall then recommend final action to the Trustees of the University.

F. Under an arrangement (as described below) to be entered into with Research Corporation, Trustees of Boston University shall be entitled to certain royalties. Trustees of Boston University intend that such royalties be placed in a restricted fund to be used for the support of training and research at Boston University. Expenditures are to be made from this fund at the recommendation of the Vice President for Academic Affairs and the President with the approval of the Trustees of Boston University.

G. The above patent policy shall be adopted by Trustees of Boston University as a condition of employment and as a requirement for all students or trainees working on research programs supported in whole or in part by funds, personnel, or facilities provided by or administered by Trustees of Boston University. The policy shall be published as such in any faculty manuals, employment regulations, student requirements, and other such publications available.

H. An appropriate form shall be signed by all employees, students and trainees working on research projects embodying these provisions and providing for a specific assignment of those discoveries where Trustees of Boston University or a research sponsor have an equity.

2. Patent Management

A. Trustees of Boston University will enter into an agreement with Research Corporation for the management of its patents. Under such agreement Trustees of Boston University would be enabled to offer to Research Corporation any discovery or discoveries it sees fit. It is not required to submit all such discoveries.

Research Corporation will pay a 15% royalty to the inventor in the usual case. The remaining 85% (less extra expenses, such as foreign patents or infringement suits) will be divided 50-50 between Trustees of Boston University and Research Corporation.

3. Invention and Patent Policy

The following agreement is to be signed by all employees, students, and trainees of Trustees of Boston University, who are or may be engaged in research programs at Boston University.

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BOSTON UNIVERSITY PATENT AGREEMENT

A. In order to protect the public good and the general character of Boston University, and in order to assume fulfillment of obligations to sponsors of research, Trustees of Boston University, as a term of employment or student or trainee status, claims for itself or on behalf of any research sponsor entitled thereto the equity in all discoveries, where such discoveries are made by employees, students, or trainees working on research projects, supported in whole or in part by funds, personnel or facilities provided or administered by Trustees of Boston University.

B. I further understand that Trustees of Boston University does not claim equity in any discoveries made by employees, students, or trainees outside of a program conducted by Trustees of Boston University with which the inventor was connected and where Trustees of Boston University did not provide or administer special funds, personnel, or facilities for work on lines leading to the discovery. Trustees of Boston University do not construe payment of regular salary or provision of normal academic environment alone as constituting grounds for equity in such discoveries.

C. In accordance with the above policy and as a condition of receiving and continuing in employment or in the status of student or trainee, and in further consideration of receiving the opportunity for research or facilities, or sponsored research funds administered by Trustees of Boston University, I hereby agree that I will disclose to the Boston University Committee on Patents any and all discoveries I may make during my employment or my status as student or trainee, or thereafter if such discovery is a result of my work while having such status. Further, based on the same considerations, I do hereby assign to Trustees of Boston University, all right, title and interest in and to any discoveries that I may make at any time which are determined by the Trustees of Boston University to fall into the category of discoveries described in Paragraph A above, that is, those concerning which Trustees of Boston University claim any equity for themselves or others. I agree to abide by the decision of the Trustees of Boston University in making this determination.

D. In order to protect the rights of an inventor in his discovery and to provide a stimulus for the development of useful discoveries, I understand that in all normal situations there will be paid to the inventor a 15% royalty on such patents. The remaining royalties will be used by Trustees of Boston University for the support of training and research at Boston University.

E. I understand that Boston University has entered into an agreement with Research Corporation, a national non-profit organization managing patents for researchers and universities. Under this agreement Boston University has the discretion to submit discoveries to Research Corporation for patenting and management. In the event that any discovery developed by me is submitted to Research Corporation by the University, I understand and agree that I will still be paid a 15% royalty on any patent(s) arising from said discovery. The remaining royalties will be shared equally by Boston University and Research Corporation.

F. I understand that in some extraordinary situations, the percentage of royalties for an inventor may be increased over the normal 15% where the inventor has gone to some extraordinary personal expense, inconvenience, or danger in developing the discovery. Where such a discovery has been submitted to Research Corporation by the University under the agreement described in Paragraph E above, any additional percentage provided the inventor will be deducted from the royalty share ordinarily received by the University.

G. I understand that there are situations where I or the University may be specially commissioned by an outside agency or organization to do applied research under a contract or grant. If I develop a patentable discovery in the course of such research, I agree and understand that the royalty I receive may be reduced below the normal 15% or that I may receive no royalty at all, depending on the terms and conditions of the applicable contract or grant.

H. I further understand that determination of questions of a larger royalty payment than the normal 15% to the inventor and determination of smaller percentages or no royalty in extraordinary situations as set out in Paragraph G above, or determination of the division of the royalty where more than one person contributed to a discovery, shall be made by Trustees of Boston University. I agree to abide by the decision of Trustees of Boston University in making these determinations.

I. I further agree for the same consideration referred to in Paragraph C above, either before or after my relationship with the University is terminated, to execute any documents such as patent applications, assignments and agreements, or to take any other action which may be necessary in the interest of the discovery, the patent or its protection, or which may be deemed desirable by Trustees of Boston University to carry out the provisions hereof.

J. It is understood that all costs of seeking and filing patent applications through Trustees of Boston University shall be borne by others than myself.

Witness my hand and seal

_____ (Seal)

Date _____

Issued as BUMC No. 8
March 1, 1963

BOSTON UNIVERSITY MEDICAL CENTER

PATENT POLICY AND MANAGEMENT

The patent policy outlined herein has been adopted by the Trustees of Boston University, the Trustees of the University Hospitals, and by the Trustee Council of the Boston University Medical Center in order to protect the interest of Boston University Medical Center (hereinafter referred to as Medical Center) and its members, Boston University School of Medicine and the University Hospitals (hereinafter referred to as the members) in any patent in which they might have an equity; to protect the reputation of the Medical Center and its members against possible public criticism resulting from such patents; to stimulate initiative in faculty and staff by allowing retention of certain rights in patents or inventions; and to fulfill contractual obligations to sponsors of research.

1. Patent Policy

A. In order to protect the public good and the general character of the Medical Center and its members, and in order to fulfill obligations to research sponsors, Medical Center and its members will claim its equity in all discoveries and its right to acquire the title and control of patents on such discoveries where these are made by employees or students (including all types of trainees or postgraduate residents or fellows) working on research programs supported in whole or in part by funds, personnel, or facilities provided by or administered by Medical Center or any of its members. Under such patents, with patent management in Research Corporation as recommended herein, the normal arrangement for distribution of royalties shall be to reserve 15% for the inventor and to divide the remainder 50 - 50 between Medical Center and Research Corporation. In some instances where patent management is held directly by Medical Center, Medical Center will normally reserve 15% for the inventor and receive the remainder itself. In other instances the terms of a research grant from an outside sponsor may require that the sponsor receive any patent.

B. In order to stimulate initiative in faculty, staff, and students in pursuing new discoveries, Medical Center and its members shall promise to respect the inventor's interest in the discovery, to help in determining its patentability, and to help provide the inventor with a fair and equitable share in any royalties which may be forthcoming from any patent where Medical Center or its members asserts a claim to the title and control of a patent unless a research sponsor is entitled to the patent.

C. Where a discovery is made by an inventor outside of any program conducted by Medical Center or any member with which the inventor was connected, and where the Medical Center or any member did not provide or administer any funds, personnel, or facilities for work on the lines leading to the discovery, the discovery shall remain the exclusive property of the inventor or his sponsor. Medical Center and its members shall not construe payment of regular salary or provision of normal academic environment above as constituting grounds for equity in such a discovery.

D. Medical Center and its members shall require that all employees and students report all potentially patentable discoveries to the appropriate responsible administrative head as soon as possible after making such a discovery.

E. A Medical Center Committee on Patents shall be formed to represent the interests of the Center and all of its members, and the faculties and staffs thereof, with duties as indicated herein and with such other duties as may be assigned to it. The Committee shall review all discoveries and determine in which category the discovery falls; i. e., whether or not an equity exists in Medical Center or any of its members or a research sponsor, and whether a patent should be sought. The decision of the Committee is then subject to review by the Director of the Medical Center, who shall recommend final action to the Trustees of the Medical Center.

F. Under arrangement (as described below) to be entered into with Research Corporation, Medical Center and its Members shall be entitled to certain royalties. *

G. The above patent policy is adopted by Medical Center and its members as a condition of employment and as a requirement for all students or trainees working on research programs supported in whole or in part by funds, personnel, or facilities provided by or administered by Medical Center or any of its members. The policy shall be published as such in any faculty manuals, employment regulations, student requirements, and other such publications available.

H. An appropriate form shall be signed by all employees, students, and trainees working on research projects embodying these provisions and providing for a specific assignment of those discoveries where Medical Center or any of its members or a research sponsor has an equity.

2. Patent Management

Medical Center and its members will enter into an arrangement with Research Corporation for the management of its patents. Under such arrangement, Medical Center and its members would be enabled to offer to Research Corporation any discovery or discoveries it sees fit. It is <u>not</u> required to submit <u>all</u> such discoveries.

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6.4. Patent Policy

6.4.1. *Patent Policy*

The following Patent Policy for the Institute has been adopted with the approval of the Faculty (February 26, 1968) and the Board of Trustees (June 7, 1968):

1. Inventions made by employees in line of Institute duty or with the use of Institute facilities may be patented in order to protect the Institute and the public. Such patent properties are to be assigned to the Institute or its nominee. Costs involved in obtaining patents will be borne by the assignee.

2. It is the policy of the Institute that such patent properties be utilized for the greatest possible public benefit. If there are innovations or discoveries which result in the filing of patent applications and the acquisition of patents, the Institute will seek to serve and protect the public interest by diligent efforts to transfer the technology involved into public use. When this result is best achieved by the attraction of private risk capital by the licensing of inventions to private industry, royalty income may accrue, although financial return is secondary and incidental to the public service aspect of this licensing program. In each case where such royalty income is derived, the inventor, or inventors, will receive from the Institute, or its nominee, fifteen percent (15%) of the gross sum of money received. The remainder will be applied by the Institute first to recovery of the costs involved in the prosecution and administration of patents, and the residue, if any, to the furtherance of instruction and research.

3. It is required by the Trustees that all members of the staff of research and instruction sign a patent agreement assigning their rights to patents or inventions which they may make in line of duty or with Institute facilities to the Institute or its nominee. Such an agreement, required of all new employees, has been formulated and has been approved by the Faculty and by counsel. A copy of the agreement may be obtained from the Faculty Office.

4. Individuals who work on governmental or industrial projects undertaken by the Institute are required to sign such supplemental agreements as are necessary to enable the Institute to fulfill its contractual obligations in regard to patents.

5. All employees shall report to the Institute immediately any discovery which might reasonably be considered to be of a patentable nature and which arises in line of duty as the result of the use of Institute facilities; this obligation shall in no way interfere with the prompt publication of research results.

6. Inventions made by an employee outside his line of duty and on his own time and without the aid of Institute facilities are the sole property of the inventor.

a. Patents from such inventions should be administered so as not to involve the Institute name or to discredit the Institute.

b. Time spent in administering such patents should conform to the Institute policy on outside activities by staff members.

c. In general, employees should not patent such inventions which are in the field of an Institute research program of which they have specific knowledge without permission of the Institute.

7. Patent licenses granted by the Institute are, by policy, non-exclusive. However, in cases involving developmental expenditures by the licensee, or for other special reasons, exclusive licenses may be given subject to a suitable cancellation clause.

8. Sponsors of research work done by the Institute do not normally receive title or other rights to any patents as a result of the work (see 6.6.1.2c, Sponsored Research). Title or other rights to patents may be granted to the sponsors only with the approval of the Faculty Committee on Patents. In cases where title is granted, it shall be the policy to require the sponsors by contract to license others under these patents on the basis of reasonable royalties and terms.

9. A committee selected by the Faculty is charged with the following responsibilities:

a. Recommend on the desirability of making patent applications on all inventions coming to the attention of the Committee directly, or to the Patent Officer of the Office of the Vice President for Business Affairs.

b. Review uncertain cases, such as those involving "line of duty" vs. "own time" inventions and make its recommendations to the employee and to the Patent Officer of the Office of the Vice President for Business Affairs.

c. Act in an advisory capacity to the Patent Officer of the Office of the Vice President for Business Affairs with regard to patents owned by the Institute or its nominee.

10. Any proposal to deviate from the policies as expressed above shall be referred to the Faculty Committee on Patents for recommendation and approval.

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6.4.2. Patent Policy for Nonacademic Employees

The Patent Policy as it applies to all nonacademic employees is covered in the booklet *Working for Caltech*, and in Nonacademic Personnel Memo No. 17.

6.4.3. California Institute Research Foundation

In order to free the administration of the Institute from a portion of the burden imposed by handling patents and inventions, there has been established a corporate entity called the California Institute Research Foundation. This is a nonprofit corporation the officers of which serve without compensation, and the articles of incorporation of which permit it to engage in all the necessary operations connected with the exploitation and control of property, including inventions or patents, which it holds or may have assigned to it.

The Institute expects to turn over to the Research Foundation the responsibility for handling the business matters connected with inventions made by members of the Institute staff, and the Foundation will be the Institute's nominee, in most cases, for the assignment of rights to such inventions. The Foundation will assume responsibility for preparing patent applications and licensing agreements and will bear the costs thereof. It will perform a particularly valuable service in handling patent matters connected with contractual research programs and will handle matters connected with patents arising from such work and the manner in which they shall be financed, owned, and controlled. Any net financial gain which might accrue is to be devoted exclusively to the furtherance of instruction and research at the Institute.

In the administration of patents arising from inventions made by staff members in line of duty or with Institute facilities, the California Institute Research Foundation will adhere to the patent policy of the California Institute of Technology.

It is to the best interest of the inventor, his fellow workers, the Institute, and the public, to have invention and patent matters handled by such a separate organization. Faculty members are requested to cooperate with this organization as the official agent of the Institute on patent matters, and should consult with the Executive Secretary of the Foundation or the Institute Patent Officer on all matters which involve inventions and the Institute responsibility therefor.

6.5. Publications of the Staff

6.5.1. Costs of Publications

Insofar as possible, it is the Institute policy to bear the expense involved in the publication of the results of research in the various professional journals. Staff members should consult the chairman of their division for the number of reprints allowed for any given article and for the procedure to be followed.

6.5.2. Reporting Publications

The Office for Industrial Associates compiles a quarterly bibliography, "Publications of the Staff," which the Library indexes annually. Staff members are requested to report to their departmental collector of publications complete bibliographical data on all books and articles they publish.

6.5.3. Depositing Publications

Departmental reprint files serve both as working collections and as integral parts of the Institute archives. Therefore, staff members are asked to deposit in their department a reprint of each article. The Library collects for the archives, by gift or purchase, a copy of each book written by a member of the staff.

6.5.4. Distribution of Technical Papers to the Industrial Associates

The Office for Industrial Associates distributes publications of the staff, preprints of journal articles, and appropriate technical papers and reports to the member companies. Staff members are requested to inform that office of all such publications so as to facilitate an effective and timely distribution.

6.5.5. Reprints for Export

Staff members who are responsible for the distribution of reprints should comply carefully with the U.S. Department of Commerce regulations governing the export of technical information. Please consult the Director of Libraries for current rulings.

6.5.6. Royalties and Copyrights

In January 1962 the Institute adopted the following policy in regard to copyrights and royalties on books, films, and other material written or produced by members of the Faculty: (1) Copyrights to or royalties from material produced by Faculty members as a portion of their normal teaching and scholarly activities at the Institute shall be retained or assigned by the author or authors. (2) If the Institute provides funds to finance a project for the revision of instructional material in certain courses, the Institute reserves the right to arrange in advance as to the ownership of copyrights and royalty rights, particularly where contractual agreements are involved with sponsors of the project.

6.6. Sponsored Research

This section outlines the policies and procedures involved in contracting for research sponsored by outside agencies— government, industry, foundations, etc. For the guidance of staff members who are preparing and processing proposals for such research, more detailed information, including written instructions, should be secured from the Sponsored Research Administrator, Room 212, Throop Hall.

6.6.1. Policies Governing Sponsored Research

The research program of the Institute has been greatly enlarged and improved in recent years through the practice of inviting private or government organizations to support or sponsor particular projects or work in particular fields through grants or contracts. However, it is essential that the Institute retain control of its research program and undertake only such research activities as contribute to its educational objectives. To these ends the following policies have been established:

1. Only Faculty members of professorial rank may apply for or serve as principal investigators of sponsored research; other Faculty members, with the approval of their Division Chairman, may serve as co-investigators.

2. Contracts, agreements, or other arrangements with sponsors will be governed by the following provisions:

a. The scope of the work shall involve fundamental research likely to add to the knowledge of natural laws and processes, falling clearly within the Institute's educational and research program, supplementing or making a positive addition to that program, and being of such nature that the Institute would undertake the research if its own funds were adequate.

b. The Institute shall be free to publish the results of sponsored research.

c. The Institute shall retain the right to take title to any patentable inventions or discoveries arising from performance of sponsored research. (See 6.4.1, Patent Policy.)

d. Arrangements with the sponsor shall not impose any restrictions upon the Institute in conflict with its established policies and practices, but shall permit performance of the research in the same manner and subject to the same administrative requirements applicable to research financed with the Institute's own funds.

e. Any deviation from the policies set forth under (a) through (d) above requires specific approval of the committee(s) concerned, the President, and, if deemed by the President to be desirable, the Board of Trustees.

3. Subject to the provisions of paragraph 2e above, contracts for work falling outside the Institute's normal program may be undertaken for the government in times of emergency, or if the work constitutes an important contribution to the national defense or welfare, or if it in other ways performs unique service to the community.

4. The Institute has certain unusual, or even unique, equipment and facilities for conducting tests and investigations of various kinds. When mutually advantageous arrangements can be agreed upon, and when the work cannot be conducted as well in the sponsor's own laboratories or in a commercial laboratory, such facilities may be used for conducting tests or investigations for outside agencies, or the Institute may undertake to design, build, and operate special facilities on a sponsored basis.

5. Faculty members serving as principal investigators of, or assigned to participate in, sponsored research (whether or not any portion of the individual's salary is charged to the sponsored account) shall not by virtue of such arrangement receive an extra stipend. When, in the judgment of the President, the direction of important Institute affairs (whether sponsored or not) warrants an adjustment in salary, the individual involved may be awarded an increase in recognition of his enlarged responsibilities. Such increase may be clearly designated as contingent upon continuation of the additional responsibilities or activities, and the individual will be informed as to what portions, if any, of his salary are on a contingent basis.

6.6.2. Procedures for Contracting for Sponsored Research

1. Before making any commitment to the sponsor, or submitting a written proposal or application for a contract, grant or restricted gift, the Faculty member who is to serve as the principal investigator of the research program shall first obtain approvals from the following:

a. The chairman of the division concerned as to the desirability of integrating the sponsored work with that of the division and as an indication that the additional work will not impose an excessive load on the responsible staff member(s).

b. The Committee on Sponsored Research (appointed annually by the Board of Trustees) as to scientific desirability.

c. The Vice President for Business Affairs, or his designates, for financial, legal and contractual matters.

d. The President for matters of general policy.

e. The Executive Committee of the Board of Trustees, whose advance approval is required if the funds involved total $250,000 or more, or if otherwise deemed necessary by the President.

2. Proposals for renewals or extensions of existing sponsored research programs require only the approval of the chairman of the division concerned (provided no major change in the scope of work is contemplated) and the Vice President for Business Affairs or his designates.

3. Proposals for testing programs in aeronautics, the Computing Center, and the Earhart Laboratory require only the approval of the division chairman or laboratory director, and the Vice President for Business Affairs. Proposals for such programs utilizing any other facilities of the Institute require all approvals as set forth under 1 above.

4. Requests for unrestricted gifts to the Institute (for divisional support of unrestricted research) require only the approval of the President. (See Section 6.2, Gifts to the Institute.)

5. Applications for fellowship grants require only the approval of the Dean of Graduate Studies or the President.

April 1, 1968

TENTATIVE

STATEMENT ON PATENTS AND COPYRIGHTS

University research should not be slanted specifically toward commercial application and hence the patentability of its results. However, new ideas or discoveries inevitably flow from research on a university campus. It is often in the public interest and of benefit for control purposes to file applications for patent or copyright on these developments. Cornell University has a definite interest in a sound policy which will protect the University and its staff, as well as sponsors and the public. Cornell desires to maintain a liberal policy with respect to the rights of the University staff members in inventions, data and copyrights by placing title in the originating University staff member whenever that course of action will support the educational purposes of Cornell, is compatible with obligations to sponsors and is in keeping with the equities of all concerned. The following statements of policy apply to holders of University and sponsored scholarships or fellowships, other graduate students, postdoctoral associates and outside consultants to the University as well as regular academic and non-academic employees.

Patents -9-

Within the University framework there is an organization devoted to these aims called the Cornell Research Foundation, Inc. (CRF). Its officers and directors are drawn from the faculty, the administration, trustees and alumni. The Foundation's function is to administer the patenting of inventions made available to it, to protect such inventions when patented, and to provide for a sound licensing program designed primarily to bring the benefits of Cornell's research to practical fruition. An important objective of the Foundation is to afford the members of the Cornell staff an opportunity to further the general research of the University and at the same time, to receive reasonable compensation for their services in connection with those inventions that produce royalties, without being obliged to spend their own time or funds in patent development and commercial exploitation.

CRF and the University have developed procedures to aid in the assessment of the probable importance of inventions brought to its attention and to assist in judging the desirability of filing a patent application. Such assessments may, if needed, include the use of ad hoc review committees selected to provide knowledgeable advice on the technical merits of disclosures, to consider the need for further development of the invention and to assess possible application of the invention for the public benefit. The services of the CRF officers, the Office of Academic Funding and the office of the University Counsel are available to render advice to inventors and to discuss procedures that should be followed in order to gain adequate protection between the time of conception of an invention and the processing of a formal application for patent.

To further carry out its functions efficiently, CRF has entered into agreements with Research Corporation and the Battelle Development Corporation (non-profit institutions) which provide for patent analyses and commercialization assistance.

CRF, on behalf of a member of the University, may forward an invention disclosure to Research Corporation or Battelle with the understanding that if either firm accepts the assignment, it will endeavor to secure the patent and subsequently will exploit the patent and invention without any expense to the inventor. These organizations will pay to the inventor a share (ordinarily 15%) of the gross income which they receive from the invention. In cases of plural inventors, this percentage is shared. The balance of income, less certain costs, is then shared equally between CRF and the corporation involved.

Rights and Obligations of Inventors

Rights to inventions arising in the course of government and other sponsored research are controlled by the terms of the research agreement. Under many agreements the sponsor holds sole title and rights to both domestic and foreign patents. Since most sponsor agreements require it, staff members and other technical personnel accepting research, as well as students and consultants associated with a sponsored project, are -10- required by Cornell to execute waivers or agreements (see Sample A, pages 24-10 thru 24-13) as will permit the University to comply with these obligations to the sponsor. In essence such agreements, as executed, will vest all rights in Cornell. Independent action by an inventor is precluded in the case of sponsored research, but the University will consider requests from inventors for greater rights and will honor such requests whenever it is legally possible and equitable to do so.

Prompt reporting of inventions conceived is essential. Many research agreements require that inventions be reported within a fixed period following the conception date. In order to meet this requirement, principal investigators on all sponsored projects are required, as a minimum, to provide periodic reports on patent possibilities to the Office of Academic Funding on forms provided to them for that purpose (see Sample B, page 24-14). The Director of the Office of Academic Funding is the University official authorized to execute, on behalf of the University, patent commitment statements and annual invention reports to sponsors. The need for prompt disclosures arises, in part, from a provision in the U.S. patent laws establishing a bar against patent applications submitted more than one year after public disclosure. In the case of foreign filings, prompt action following conception is even more important since any publication may create a bar to filing in some foreign countries.

When a member of the University in the course of his non-sponsored University activities makes a discovery that may lead to an invention, he should consult the Foundation (CRF), through its Secretary, concerning the possibility of a patent application. CRF, when advised of his intentions, may raise the question of whether the University or a sponsor has an equity in the proceeds of the invention. The services of the CRF are available to any member of the University community whether or not

the invention has resulted from his University activities. CRF can permit independent action by Endowed College's inventors if, following normal review, it is determined that CRF and hence Cornell University is not interested in pursuing the disclosures further and if no contrary commitment to outside sponsors exists. Cornell will not permit independent action by Statutory College inventors except under exceptional circumstances and only by written release or waiver from the Dean and the Secretary of CRF.

Review Procedures

When the question of patenting of a particular invention is brought to the attention of CRF, discussion will be held to determine if the conception is the result of sponsored research under which the obligations to the sponsor will prevail. Sample forms (Sample C, page 24-15) for the analysis of an invention disclosure and advice on disclosure preparation may be obtained from the Secretary of CRF or the University Counsel. These forms provide for careful consideration of the possible claims for patent, precise identification of the inventors, consideration of prior publication or public disclosure, and serve as supplements to other available descriptions of the invention for review purposes.

A formal disclosure is most important to an inventor in establishing priority. Other steps to be taken include the making of proper notebook entries, sketches, descriptions, the exercise of diligence in developing the concepts through successive stages, the eventual reduction to practice of the invention, and finally the preparation of drawings, specifications and claims preparatory to filing patent applications or the making of a request to an appropriate agency to do so. The disclosure should be signed and dated by two witnesses familiar with the art and the significance of the invention. -11-

Copies of each disclosure and analysis form should be submitted to both the Secretary of CRF and the University Counsel. Advice will be given on the soundness of the invention and the advisability and possibility of patenting within the framework of University policy and the terms of any sponsored research agreement.

If the CRF review results in a negative conclusion, CRF will seek the concurrence in the findings from the inventor and will advise the sponsor, if any, of the decision reached.

If CRF reaches a positive conclusion, or is in doubt, it may, with the inventor's concurrence, refer the matter to Research Corporation or Battelle to obtain an opinion and to determine if these organizations desire to accept assignment of rights to the invention. If they are not willing to accept such assignment, the Foundation will upon request and, if not bound otherwise by a sponsor's agreement or other obligation, release the matter to the inventor. If Research Corporation or Battelle desires to accept the assignment, CRF will in most cases recommend to the inventor that he assign his rights in the invention to the interested organization and enter into an agreement with that Corporation, in accordance with the general plan adopted by that firm, CRF, and the University.

Industrial Support

In accepting a grant from industry for the purpose of research, it is the general policy of the University that the grant be used for training and the extension of the boundaries of knowledge, and not for a specific development in which the sponsor may be interested. If the University accepts a grant from an industrial corporation for the purpose of research in conformity with that general policy, it shall be with the written understanding that should an invention result from this research, the University and the inventor shall handle such an invention in accordance with the policies outlined above.

Agreements covering such projects shall state the following:

> "It is understood by the Sponsor that any inventions patentable or otherwise conceived or first reduced to practice in the course of the sponsored activity by the staff of the University shall be handled in accordance with University patent policy which requires that title to any of said inventions be in Cornell University or its designee, which designation must be handled specially and in accordance with the aforesaid University patent policies."

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If an outside industrial sponsor proposes a procedure at variance with that outlined in previous paragraphs, the Office of Academic Funding is authorized to discuss such alternate procedures with the sponsor and the staff members involved in an effort to arrive at a situation which will not violate the general principles set forth here and which will protect the equities and satisfy the requirements of all the parties involved.

Those sponsored projects involving testing of materials, compounds or apparatus should be specially handled. Among the additional special provisions which are recommended for those sponsored projects, in addition to the patent provision as set forth above, the covering agreement should state the following:

> "Cornell University does not accept any materials, compounds and/or apparatus hereunder or information with respect thereto under any restrictions whatsoever. It is assumed by Cornell that to the degree that the Sponsor is going to file patent applications on said materials, compounds and/or apparatus supplied hereunder, they will have done so prior to the delivery of the same to Cornell University.
>
> The Sponsor hereby agrees that he shall not use information derived by Cornell University or its staff in pursuance of the work of the sponsored project in the prosecution of a patent application in either the United States Patent Office or that of other jurisdictions without the written permission of Cornell University."

In grants or agreements between business firms and the University covering work of a predominantly testing rather than research nature in which the sponsoring firm bears a major portion of the cost, the patent policy of the University permits the following:

a) If an employee of Cornell University makes a patentable invention or discovery which is clearly a new invention, the inventor will assign the invention or discovery to CRF and the University will, if the sponsor so desires, agree to grant under any resulting patent or patent application a license to the sponsor, bearing a royalty to be agreed upon and will agree not to license others for a limited period from either the date on which a patent issues, the date of approval of the product by U. S. Food and Drug Administration or other public authority where applicable, or the date on which the product is first offered for sale by the sponsor, whichever is earlier. In no case shall the total duration of such exclusions be longer than five years from the date of the license agreement between the sponsor and the University.

b) If an employee of Cornell University makes an invention or discovery which is merely an extension of or derivation from data provided by the sponsor and might reasonably have been expected by him, the University will, if the sponsor so desires, agree to negotiate a license and agree not to license others, for a period of such duration as seems warranted by the particular circumstances, but no longer than six years from either the date on which a patent issues, the date of approval of the product by the U. S. Food and Drug Administration or other public authority where applicable, or the date on which the product is first offered for sale by the sponsor, whichever is earlier. In no case shall the total duration of such exclusivity be longer than eight years from the date of the license agreement between the sponsor and the University. Such license may be royalty free if the University incurs no substantial patent expense. -13-

c) In no case of a patent or patent application in which the name of a Cornell employee appears as inventor or co-inventor can an exclusive license for the entire life of the patent be granted by the employee or the University.

d) 1. Evaluation of agricultural chemicals at Cornell is done as an adjunct to research on pest control or improvement of biological efficiency. This evaluation is not performed as a testing service for development of invention by private companies.

2. Cornell University will be guided by its own policies and principles in filing patent applications on inventions originating from research done by its staff.

3. No patent rights shall be transferred to the Grantor by reason of the grant for testing of chemicals.

4. Research results when released by the principal investigator may be used as supporting documentation in applications for Federal clearance of pesticides, providing the context of the use does not constitute a warranty by the principal investigators or Cornell University or the State of New York that a chemical is safe for a particular use. They shall not, however, be used in support of the solicitation of a patent application in the United States or foreign patent offices without the written permission of Cornell University represented by the Director of the Experimental Station and the Secretary of CRF.

5. The name of Cornell University or any of its components may not be used in advertisements to the public relating to products or a service.

Conflicts

Conflicts involving patentable inventions and discoveries may arise when members of the Cornell University faculty and staff enter into agreements to do private consulting for firms and organizations outside the University. The consulting agreements which business firms wish to have executed by those who are to serve as their consultants frequently contain provisions as to the licensing or assignment of the consultant's inventions and patents. Unless this provision is narrowly worded, it usually will include areas in which the consultant's University work lies and thus come
-14- into conflict with the obligations of the University staff member under the University's patent policy, either with respect to the rights of the University itself in his invention or the rights of a sponsor of research in the same field or subject matter.

Because of the possibility of such conflicts and of future misunderstanding or embarrassment, it is urged that, with this point in mind, staff members carefully examine consulting agreements before they sign them. If problems arise or the issues are not clear, staff members are urged to consult with the Office of the University Counsel. The services of CRF are also available in case complex problems or those involving basic University policies or obligations are encountered.

The contribution of ideas and assistance to the Cornell staff from sources outside the University can lead to subsequent problems of equity if patentable concepts evolve. Waivers designed to protect the staff member, the University and its sponsors are available from the University Counsel and should be utilized whenever feasible.

SPECIAL PROVISIONS - Society of the New York Hospital, Cornell University Medical College, Cornell University-New York Hospital School of Nursing and their constitutent units.

Discoveries and/or inventions made by members of the faculty, staff and student body of the Cornell University Medical College, Graduate School of Medical Sciences and the Cornell University-New York Hospital School of Nursing and the New York Hospital and patents resulting therefrom shall be assigned to Cornell University, or its designee, Cornell Research Foundation, and will be handled in accordance with the policies stated herein, including further

assignment to Research Corporation when such is appropriate. Any discoveries and inventions which are also subject inventions of Government sponsored research will be handled in accordance with the terms of such sponsorship. In pursuance of the above, royalties may be shared with the inventor or inventors on any patent not in excess of a total of 15% of the net royalties relating to each patent. Plural inventors in any patent shall share equally the inventor's share. Royalties from such patents, other than those covered by the above-stated exceptions, may be accepted and received by Cornell University and/or the Society of the New York Hospital and/or the New York Hospital-Cornell Medical Center Foundation and such royalties received will be administered by one or the other, or by combinations of those institutions, for the support of research in accordance with approved policies and procedures.

In the case of patent disclosures arising in the course of government sponsored research at the Cornell University Medical College, the Graduate School of Medical Sciences and the Cornell University-New York Hospital School of Nursing, the responsibility for the processing and reporting to sponsors has been assigned to the Office of the Dean of the Medical College without recourse to the Office of Academic Funding. However, a copy of each such report to government sponsors shall be furnished by the Dean's office to the Office of Academic Funding for the purpose of annual reports submitted to certain sponsors on behalf of the entire University.

Statutory Colleges

The New York State College of Agriculture and Life Sciences and the Agricultural Experiment Station, the College of Human Ecology, the Veterinary College, -15- and the School of Industrial and Labor Relations are tax-supported institutions intended to promote the welfare of the general public. The purpose of New York State and many Federal programs in these colleges and schools is to develop new information and improved practices, the widespread use of which will benefit producers and consumers and thereby give a satisfactory return to the public for its tax support of this work. Most of the results of these activities are dedicated to the public by publication. The securing of patents on new devices or processes primarily for the personal profit of members of the staff is not compatible with the purposes cited. However, patents shall be sought when necessary to protect the public by control of quality or to insure a reasonable price and the availability of the product. It may also be necessary to ask for patent protection to avoid the loss of rights of the public and of the University to use devices or processes developed at Cornell. A patent and its subsequent licensing is often a useful method in bringing the development into public use.

Whenever a member of the staffs of these colleges as a result of, or in connection with, his University work or sponsored activities discovers or invents some product, process, compound, or composition which he thinks may be patentable, he shall report it through his Department Chairman or Section Head, to the Dean or Director of Research of the college, and if a decision to proceed is reached, it shall be the inventor's obligation to assist in the preparation of a patent disclosure. As soon as possible, this information will be forwarded by the Dean or Director of Research to the Secretary of CRF. Quarterly patent reports will also be submitted on sponsored projects by principal investigators of these colleges and schools to the Deans or Research Directors' offices for use in a subsequent consolidated report to the Office of Academic Funding.

CRF will follow its routine procedures in reviewing disclosures submitted to it by the statutory colleges including probable review by Research Corporation.

If CRF or Research Corporation is interested, the staff member shall cooperate in preparing the necessary papers for assignment and prosecution of such patent applications.

In the event that a decision is reached by CRF not to proceed with the disclosure it will be referred back to the College. The College will review patent disclosures returned by Cornell Research Foundation and advise the Director of Office of Academic Funding and the Secretary of CRF as to the desired disposition. Disposition might include:

a) Financing of the patent application by the College, filing to be handled through Cornell Research Foundation.

b) Financing of the patent application by the investigator or an outside firm, filing to be administered through Cornell Research Foundation with assignment made to CRF.

c) Publication of results with no action on patents.

Distribution of royalties resulting from patents originating in the Statutory Colleges will depend on the source of funds used in filing for the patent. In all cases the first charge against royalties will be the recovery of direct expenses incurred plus a flat fee for administrative services payable to CRF.

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Statutory College inventors are not permitted independent action except under exceptional circumstances and only by written release or waiver from the Dean following the normal review process described above.

Inventions resulting from research by a member of the staff on his own time, at his own expense and wholly without the use of college or station laboratories or other facilities, are regarded as the private property of such a staff member.

Copyrights

As a general rule, all rights to copyrightable material shall be reserved to the author. The distribution of royalties, if any, is a matter of arrangement between the author and his publishers or licensees. Exception to this rule occurs in the case of certain sponsored projects or where the University has employed personnel or provided funds to produce specific materials.

When copyrightable photographic materials, including motion pictures, microfilm, audio and video tapes are produced through use of University facilities or funds, all rights are reserved to the University, except in cases where unusual circumstances call for other arrangements, 50% of royalties accruing from such materials will be paid to the staff member directly responsible for their conception and production (but not to those such as laboratory personnel whose work in connection with the materials was of only a technical nature). Rights to publication and reproduction of such material are reserved to the University. However, the University may at its discretion permit the publication of such photographs as part of or in connection with individual manuscripts, but

only on condition that rights to subsequent use in any connection remain with the University. If the use of such photographs is only incidental to the major purpose of the manuscript, or if the annual royalty income attributable to the photographs is under $50, the royalties arising from such use will be the property of the author of the manuscript.

Trademarks

Trademarks relating to Cornell, its activities, and products are exclusively a property right of Cornell University. No steps should be taken for securing trademarks by usage or registration with respect to products resulting from Cornell research activities.

Patent Reports and Disclosures

In accordance with these policies the following forms are used:

a) Cornell University Staff Agreement: (Sample A) -This must be signed by all professional personnel working on any U. S. Government sponsored grant or contract. The Research Accounting Office and the State Business Office are responsible for sending the form to each new employee at the time that his or her appointment is processed. It should be returned promptly to the issuing office.

b) Invention Disclosure Report: (Sample B) - This form is sent to all principal investigators of research grants or contracts by the Office of Academic Funding at least three times each year in order to have any inventions reported promptly. -17-

c) Patent Disclosure Evaluation: (Sample C) - This form is suggested format for an inventor to use to report possible inventions. It forms the basis of the review by CRF and reporting to the sponsor. It may be modified as appropriate; however, the basic questions should be answered if possible.

Patent Royalty Distribution

1) Application filed by CRF - Expenses paid by CRF

Inventor(s) share..... ...15% of net income, shared
College share..... ...None
CRF share..... ...85% of net income
Flat fee of $350 charged by CRF

2) Application filed by CRF - Expenses paid by College

Inventor(s) share.....15% of net income, shared
College share.....70% of net income
CRF share.....15% of net income
Flat fee of $350 charged by CRF

3) Application filed by Research Corporation - Expenses paid by Research Corp.

Inventor(s).....15% of gross income, shared
College share.....70% of 42.5% gross income
CRF share.....30% of 42.5% gross income
Research Corporation.....42.5% of gross income

4) Approved independent action by inventor

All proceeds to inventor(s)
Flat charge of $350 by CRF if its services are used.

Note: In lieu of flat fee of $350 listed above, CRF may assess its actual costs if such can be identified.

Ref: CRF Board of Directors -12/13/74

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MASSACHUSETTS INSTITUTE OF TECHNOLOGY

PATENT POLICIES AND PROCEDURES

OBJECTIVES

The basic aim of the patent policy of the Institute is to promote the progress of science and the useful arts by utilizing the benefits of the established patent system. This policy is in accord with Article I, Section 8, of the Constitution of the United States:

> "The Congress shall have power...To promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

Patents provide a means toward the development and utilization of discoveries and inventions. Institute patent policy has been established to ensure that those inventions in which it has an equity will be utilized in a manner consistent with the public interest. The Institute is also aware of the value of patents in directing attention to effective individual accomplishment in science and engineering.

The Institute believes that where possible it should make inventions resulting from Institute research available to industry and the public on a reasonable and effective basis and at the same time provide adequate recognition to inventors.

In recognition of these objectives, the Executive Committee of the Corporation, with the approval of the Faculty Council, adopted on April 5, 1932, a statement of policy regarding inventions. The policy has been modified in certain particulars from

time to time to meet changed conditions, especially those arising in conjunction with sponsored research programs.

POLICIES

INVENTIONS

The Institute believes that these objectives will best be attained by defining the ownership and disposition of inventions in terms of the categories summarized below:

A. Inventions which are subject to the terms of a sponsored research or other agreement between M.I.T. and a third party.

B. Inventions involving the significant use of funds, space, or facilities administered by the Institute, but without any Institute obligations to others in connection with such support.

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C. Inventions not involving the significant use of funds, space, or facilities administered by the Institute.

A. Inventions which are subject to the terms of a sponsored research or other agreement are disposed of in accordance with the terms of the applicable agreement and normally become the property of the sponsor, or of the Institute subject to a license to the sponsor for its use.

Government Sponsored Programs

Grants and Contracts. With few exceptions, grants and contracts applicable to research sponsored by the Federal government provide that the government acquires rights to inventions "conceived or first actually reduced to practice" in the performance of the research. The rights thus acquired by the government may, depending on the terms of the agreement, consist of title to such

inventions, the right to determine their disposition, or the reservation of a royalty-free license to the government on the understanding that the Institute will take effective steps to develop the practical applications of the invention by licensing or other means.

Because of these commitments, the Institute cannot usually grant requests that the inventor acquire personal ownership of inventions resulting from government sponsored research. In special cases, however, the Institute, by action of the Committee on Inventions and Copyrights, may allow the inventors to receive from the Institute commercial rights insofar as the Institute's commitments to the government permit, and subject to such terms as the Committee may require.

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Other Government Rights. In addition, the Federal government may acquire rights to inventions which are in the field of a Federally sponsored program of research in which the inventor has participated or which involve the use of research equipment or other laboratory facilities, materials or services which are maintained by or derive support from the Federal government. Such an invention should be discussed with the Patent Office and, if it is not clear into which category the invention falls, should be disclosed as outlined under "Procedures."

Other Sponsored Research

Contracts with industrial sponsors usually provide that the Institute acquires full patent rights with a license to the sponsor. Under exceptional circumstances, however, the sponsor may acquire

such rights, subject to a license to the Institute. Grants from industrial sponsors, as well as grants from private foundations, should not have patent restrictions. However, the grantors will normally be entitled to a license under any patents that the Institute may acquire as the result of work supported by the grant.

B. Inventions involving the significant use of funds, space, or facilities administered by the Institute, but without any M.I.T. obligations to others in connection with such support, are the property of the Institute.

Faculty and Staff. The Institute will exercise its rights in such inventions by members of the faculty and staff in whatever manner will best further M.I.T.'s basic aims, giving full con-

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sideration to making the invention available to industry and the public on a reasonable and effective basis, avoiding unnecessary exclusion of any qualified manufacturer from the use of the inventions and providing adequate recognition to inventors.

When in such cases M.I.T. undertakes patenting and commercial development and exploitation, a share of the gross royalties will be provided the inventor.

Students. When an invention in this category is by a student, the Institute will waive its rights and the invention will be the exclusive property of the student, provided the student's rights in the invention are not altered by the terms of any financial aid received, including scholarships, fellowships, traineeships, thesis expenses, or other assistance, whether or not administered by the Institute, and provided the student does not subject the invention

to government rights in the manner described under "Other Government Rights" in the preceding section.

Staff members who are also part-time students shall be considered staff members insofar as disposition of patentable inventions is concerned.

C. Inventions not involving the significant use of funds, space, or facilities administered by the Institute are wholly the property of the inventor.

M.I.T. will not construe the payment of salary from unrestricted funds nor the provision of office or library facilities as constituting significant use of Institute funds, space, or facilities.

If the invention relates to any Institute program of sponsored research in which the inventor has participated, he or she should review the circumstances with the Patent Office. If there is uncertainty into which category the invention falls, the inventor should disclose the invention as outlined under "PROCEDURES." -23-

Faculty and staff members or students whose inventions fall within this category and are, therefore, their exclusive property, may avail themselves of the opportunity to submit the invention to the Institute for obtaining a patent and for its commercial exploitation and management under terms to be agreed between the inventor and the Institute.

PATENT ROYALTIES

With respect to Category A inventions (those subject to the terms of a sponsored research or other agreement) and Category B inventions (those involving the significant use of M.I.T. resources

but without obligations to third parties), the Institute will normally share with the inventor the following percentages of any gross royalties which the Institute receives:

35% of the first $50,000 in gross royalties
25% of the next $50,000 in gross royalties
15% of the gross royalties thereafter

Such royalties to the inventor, however, may not exceed the net royalties to the Institute.*

The foregoing schedule of royalties will apply with respect to all royalties due and payable to M.I.T. on and after July 1, 1973. For any invention on which royalties have already become due and payable prior to that date, the applicable royalty rate will be that which would now be in effect if this royalty schedule had applied from the start.

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INVENTION & COPYRIGHT AGREEMENTS

The policies set forth above constitute an understanding which is binding on Institute faculty and staff, students, and others as a condition of their participating in Institute research programs or their use of funds, space, or facilities. Where the Institute may have an obligation to assign rights in inventions or copyrights to a sponsor, or may itself acquire rights under this policy, it will require a formal invention and copyright agreement.

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* Net royalties are for this purpose defined as gross royalties received by the Institute on licensed inventions, minus any litigation, interference, or marketing costs directly attributable to the invention being licensed.

CONSULTING AGREEMENTS

Any faculty or staff member who is engaged in consulting work or in business is responsible for ensuring that clauses in his or her agreements are not in conflict with the patent and copyright policies of the Institute or with Institute commitments. The Patent Office will, upon request, provide assistance in this respect. The Institute's rights and the individual's obligations to the Institute are in no way abrogated or limited by the terms of such agreements. Faculty and staff members should make their obligations to M.I.T. clear to those with whom they make such agreements and should ensure that other parties to the agreement are provided with a current statement of Institute patent policy.

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PROCEDURES

ORGANIZATION

The Vice President for Research is responsible for administrative matters relating to inventions, patents, and copyrights, serving as Chairman of the Committee on Inventions and Copyrights, which is appointed by the President, and representing the Institute in all matters of patent policy affecting the Institute's relations with government, industry, and the public.

The Committee on Inventions and Copyrights advises the Institute on patent problems arising from activities of faculty, staff, and students, including inventorship, equities between inventors and the Institute, inventor participation in financial returns, and the disposition of patent equities which the Institute does not wish to exercise. This Committee shall advise as to inventions on which patent applications are to be filed, the equities involved,

the arrangements for prosecution of patents and development of inventions, the issue of licenses, and special patent, copyright and publication matters submitted to it for resolution.

DISCLOSURE

Inventions Which May Involve Sponsor Property Rights

Inventions arising in the course of sponsored projects, or otherwise falling within Category A, should be disclosed to the Patent Office on forms provided for this purpose, with simultaneous disclosure to the project supervisor or laboratory director where applicable. The disclosure will be promptly acknowledged in writing. The circumstances of the invention will be reviewed with those involved and the inventor will be notified in writing of the

-26- disposition that is proposed.

Inventions Involving Institute Property Rights.

A faculty or staff member or student whose invention does not involve the use of sponsored funds and

1) in which the Institute has property rights, or

2) about which there is a doubt as to the ownership, or

3) which is the exclusive property of the individual, but which he or she wishes to submit to the Institute for patenting and commercial handling,

should make a written disclosure to the Secretary of the Committee on Inventions and Copyrights on forms provided for this purpose by the Secretary of the Committee. The receipt of this will be promptly acknowledged in writing.

Within six weeks of the receipt of the disclosure, the inventor will be notified in writing of the decision on 1) the equities involved including financial participation, 2) whether the Institute plans to file a patent application, or 3) whether the Institute will accept assignment of the invention for patenting and commercial handling. If the Institute chooses neither to file a patent application nor to dedicate to the public an invention in which it asserts property rights, the inventor will be given a release in writing. If, after the Institute has filed an application, it decides to abandon the patent prosecution, the inventor will be promptly notified in writing, and all rights revert to the inventor.

In those cases in which the Institute has obtained a patent without obligation to sponsors, if no arrangement has been made for commercial development within a reasonable period from the date of the issuance of the patent, the inventor(s) may request in writing a return of the Institute's patent rights. The Committee on Inventions and Copyrights will either grant the request or will advise the inventor of the Institute's plans for the development of the invention. -27-

DETERMINATION OF EQUITIES IN SPECIAL CASES

In the event that there is any disagreement between the Committee on Inventions and Copyrights and the inventor or inventors, the Chairman of the Faculty shall appoint an Ad Hoc faculty Committee to consider the issues and make findings and recommendations to the President of the Institute.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY COPYRIGHT POLICY

(Effective March 1, 1974)

OBJECTIVES

A copyright policy is proposed for the Institute that will seek to protect and promote the traditional academic freedom of the Institute's staff and students in matters of publication; that will seek to balance fairly and reasonably the equitable rights of authors, sponsors and the Institute; and that will attempt to ensure that any copyrightable material in which the Institute has an equity interest is utilized in a manner consistent with the public interest.

OWNERSHIP AND DISPOSITION OF COPYRIGHTABLE MATERIAL

The Institute believes that the above-stated objectives will best be attained by defining the ownership and disposition of copyrightable material in terms of the following categories:

A. Ownership of all copyrightable material which is developed in the course of or pursuant to a sponsored research or other agreement shall be determined in accordance with the terms of the sponsored research or other agreement, or in the absence of such terms, the material shall be the property of the Institute.

Comments: Normally, sponsored research contracts by the Government provide the Government with specified rights in copyrightable material developed in the performance of the

research. These rights may consist of title to such data vesting in the Government or the reservation of a royalty-free license to the Government with title vesting in the Institute. Grants and other types of sponsored research agreements, whether by the Government or industry may, on the other hand, provide no specific provision concerning rights in such material.

The purpose of this provision is to ensure that the Institute will be free to dispose of all such data in a manner consistent with its obligations to the sponsor and to the public.

This provision is not intended to apply to copyrights on papers published in the usual way in journals, since such papers are normally the property of the journal.

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B. All copyrightable material which is developed with the significant use of funds, space or facilities, including but not limited to classes and laboratory facilities, administered by the Institute but without any M.I.T. obligations to others in connection with such support shall be the property of the Institute.

Comments: The Institute shall exercise its rights in such material in a manner that will best further M.I.T.'s basic aims as an educational institution, giving full consideration to making the material available to the public on a reasonable and effective basis, avoiding unnecessary exclusions and restrictions, and providing adequate recognition of the authors.

In this respect M.I.T. recognizes and reaffirms the traditional acedemic freedom of its staff and students to publish freely without restriction. In keeping with this philosophy,

M.I.T. will not construe the provision of office or library facilities as constituting significant use of Institute space or facilities, nor will it construe the payment of salary as constituting significant use of Institute funds, except for those situations where the funds were paid specifically to support the development of such material.

Textbooks developed through the use of classes are excluded from the provisions of this category, unless such textbooks were also developed using Institute administered funds paid specifically to support such textbook development.

C. Copyrightable material not within the provisions of Categories A and B of this Policy is wholly the property of the author.

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D. Royalty Sharing Provisions Under Categories A and B

Royalty income received by the Institute through the sale, licensing, leasing or use of copyrightable material, under Categories A and B, in which the Institute has acquired a property interest, will normally be shared with the author and the department, laboratory or center within the Institute where the material originated. Authorship shall be determined by the Director of the originating department, laboratory or center. The gross royalties received by the Institute will usually be distributed as follows:

1. To the Institute, 60%
2. To the Author(s), a total of

35% of the first $50,000 in gross royalties
25% of the next $50,000 in gross royalties
15% of the gross royalties thereafter.

3. To the Originating Department, Laboratory or Center within the Institute

5% of the first $50,000 in gross royalties
15% of the next $50,000 in gross royalties
25% of the gross royalties thereafter.

Where, after review, authorship cannot be determined, the percent share of royalties intended for the author shall be distributed instead to the originating department, laboratory or center. (As used herein, the phrase "originating department, laboratory or center" means the department, laboratory or center which administered the funds, space or facilities used in developing the copyrightable material.) -31-

The Institute reserves the right at its discretion to deduct from gross royalty income, prior to any such distribution, expenses, such as litigation, which may be incurred in enforcing or defending the copyright or in licensing the copyrightable material.

PURDUE UNIVERSITY
WEST LAFAYETTE, INDIANA
Office of the President

March 21, 1973

EXECUTIVE MEMORANDUM No. B - 10
(Supersedes Executive Memorandum No. A-302)

TO: All Members of the University
SUBJECT: Statement of University Policy, Principles, and Administrative Procedures Relating to the Ownership of Patents, Copyrights, and Other Rights in Inventions and in Written and Recorded Materials

I. Definitions

As used in this Memorandum, the following terms have the meaning indicated:

1) **Inventions** — All inventions, discoveries, computer programs, processes, methods, uses, products or combinations, whether or not patented or patentable at any time under the Federal Patent Act as now existing or hereafter amended or supplemented.

2) **Written Materials** — All literary, dramatic, and musical materials or works and all other materials or works including computer programs published or unpublished, copyrighted or copyrightable at any time under the Federal Copyright Act as now existing or hereafter amended or supplemented.

3) **Recorded Materials** — All sound, visual, audio-visual, and television films or tapes, video tapes, kinescopes or other recordings or transcriptions, published or unpublished, whether or not copyrighted or copyrightable at any time under the Federal Copyright Act as now existing or hereafter amended or supplemented.

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4) **Materials** — Written materials and recorded materials.

5) **University Personnel** — Part-time and full-time members of the faculty, staff, all other agents and employees, and undergraduate and graduate students and postdoctoral fellows of the University.

II. Publication Rights of Faculty

Faculty members shall own all rights to materials prepared at their initiative for classroom, educational or professional purposes, including all royalties from publication or distribution of such materials. An example might be a textbook or laboratory manual developed on a faculty member's own time, without use of University facilities or funds.

Educational Materials developed in the course of University employment (see Section III, Subsection 2(a)) shall be owned by the University. In cases where the University has a proprietary interest in such Materials, the professional interest of the faculty member and the reputation of the University require that there be adequate mutual control over their use. The extent of such control and mutual rights with respect to the revision, withdrawal, limitation, and termination of use of such Materials, shall be set forth in a separate contract between the University and the faculty member.

III. Principle of University Ownership

1) General

The University shall own all domestic and foreign rights in and to any and all Inventions and Materials made or developed by University personnel either in the course of employment by the University, or through the use of facilities or funds provided by or through the University.

The rights owned by the University include all economic and property rights as well as the right to patent inventions and to copyright Materials. Net proceeds will normally be shared with the inventor, as provided in Paragraph IV 2 (b).

2) **Course of Employment**

a) **Materials**

Materials shall be considered as having been developed in the course of employment in those cases where the individual was employed by the University for the specific purpose of preparing or producing the Materials or was specifically directed to do so as a part of his general employment duties. Such conditions of employment and such specific directions shall be written, and shall be agreed to by both the University and the author. It shall be the responsibility of each department head to implement and enforce the terms of this paragraph through use of President's Office Form No. 42 entitled "Acknowledgment of University Assignment."

b) **Inventions**

Inventions will be considered as having been developed in the course of employment where conception and/or development is in the individual's subject area of principal competence in scholarly activities for which the individual is employed.

c) **Outside Activities**

To perform outside activities, faculty and staff members must obtain prior approval of the President of the University, on President's Form 32 or revisions thereof. The individual may own rights to Inventions and Materials made or developed in outside activity, other than those involving the use of University funds or facilities, provided such ownership is approved by the President on Form 32. University personnel engaged in outside activities shall not execute any agreement with any organization covering rights in Inventions and Materials unless such agreement has been made a part of President's Form 32 or revisions thereof and has been approved by the President of the University.

3) **Use of University Facilities or Funds**

Funds and facilities provided by governmental, commercial, industrial, or other public or private organizations which are administered and controlled by the University shall be considered, for the purpose of this Memorandum, to be funds and facilities provided by or through the University. All rights in and to Inventions and Materials made or developed through the use of such funds and facilities shall belong to the University as stated in paragraph III 1).

University personnel will be required to execute such assignments, waivers, or other agreements as the University may require; but no such agreements shall be made by University personnel directly with a sponsoring organization without the approval of the President of the University. The University reserves the sole right to make agreements with sponsoring organizations and to include therein such provisions regarding the ownership and disposition of rights in Inventions and Materials as it deems to be in the interest of the University and the public.

IV. **Equities of Participating Parties**

1) **General Policy**

It is the policy of Purdue University to encourage and recognize the creative efforts of University personnel and, insofar as the Board of Trustees of the University deems it consistent with the public interest, to share the financial awards of such efforts on an equitable basis. This general policy may be rescinded or amended at any time by the University, and it is not intended to and does not create any legally enforceable rights whatsoever in any University personnel in respect to any present or future Invention, Written Material, or Recorded Material. The rights of University personnel in and to any Inventions and Materials belonging to the University under Section III herein will be created and exist only by virtue of written agreements between the University and the individual or individuals concerned, as provided below. Two categories of use are differentiated for the purposes of this policy with respect to Materials.

a) Internal use within the University, or by any unit of the University including Regional Campuses, Cooperative Extension Service, Continuing Education or any other branch or subdivision of the University.

Each instance of use internal to the University requires approval of the department and school primarily responsible for the materials. As long as the author or producer of University-sponsored Materials remains a member of the staff of the University:

(1) His approval shall be required for each instance of internal use of the materials.
(2) Unless otherwise stipulated in written agreement between him and the University, he may require revision of the materials prior to any instance of internal use.
(3) If the revision is not feasible to the University, he may require that the materials be withdrawn from use.

If the University-sponsored educational Materials are used internally without revision for a period of three years, it shall be the policy of the University to ask the author or producer and the appropriate University instructional unit to review the materials and determine whether they shall continue to be used.

If the University employment of an author or producer terminates, the University retains the right to make internal use of his University-sponsored educational materials for whatever part there may remain of a period of three years after the date on which the materials were most recently revised, or, in the event that they have not been revised, a period of three years after the date on which their initial production was completed. Prior to the end of this three-year period, the University may negotiate a contract with the author or producer, or his estate, stipulating the professional and academic conditions for subsequent internal use of the materials and the procedures for their revision.

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For **internal** use of Materials, the author or producer will not receive any royalty income.

b) External use outside the University, including but not limited to other educational institutions, government and other nonprofit institutions, and commercial organizations operating under lease or other contractual arrangements.

Licensing or sale of University-sponsored Materials for external use shall be preceded by a written agreement between the University and author or producer specifying the conditions of use, and including provisions protecting the right of the author or producer to revise the Materials periodically, or to withdraw them from use in the event revision is not made.

For **external** use of Materials through licensing or sale, the author or producer will share in any income received under the general principle of division as stated in Paragraph IV 2) b).

2) **Determination of Equities**

a) **Determination by the Committee on Patents and Copyrights**

The Committee on Patents and Copyrights (the Committee) shall determine:

(1) when the rights in and to Inventions and Materials belong to the University under the provisions of this Memorandum;
(2) whether the University personnel shall be entitled to share in the net proceeds of such Inventions and Materials and, if so,
(3) what the respective equities of the University and of the University personnel shall be.

b) **General Principle of Division**

The committee shall, as a general principle but subject to all relevant provisions of this Memorandum (including, but not limited to, those relating to sponsored programs), award a two-thirds interest to the University and a one-third interest to University personnel in the net proceeds derived from Inventions and Materials belonging to the University. The Committee may make a different determination of the equities of the respective parties depending upon the circumstances of each individual case, and may waive or release any or all of the rights of the University in appropriate cases. The Committee shall consider in each case the extent, if any, to which the Invention or Material was made or developed partially outside the course of employment by the University; the extent, if any, to which the University's funds or facilities contributed to the discovery or development; and such other factors as the Committee considers relevant and material.

c) **Division of Equities among University Personnel**

If the Committee determines that more than one individual is entitled to an equity in any Invention or any Materials, the Committee shall determine the manner in which the equity award to University personnel as a group shall be divided among the individuals constituting the group, provided, however, that if such individuals shall have agreed among themselves, such agreement shall be conclusive.

d) **Agreement Concerning Equities**

Notwithstanding any determination by the Committee, or any other provision of this Memorandum, University personnel shall have no equities or rights whatsoever in Inventions and Materials belonging to the University unless and until a written agreement has been executed by the University and the University personnel consistent with the determination of the Committee.

e) **Net Proceeds**

The net proceeds derived from Inventions and Materials shall mean the gross receipts therefrom (including, but not limited to, rents, royalties, dividends, earnings, gains, and sales proceeds), less all costs, expenses and losses paid or incurred by the University in connection therewith (including, but not limited to, all direct costs and expenses, indirect costs and expenses as allocated and determined by the University, costs, and expenses of obtaining and securing patents or copyrights, and all attorneys' fees).

f) **Sponsored Programs**

In cases of Inventions and Materials made or developed in the course of sponsored programs, the determinations of the Committee shall necessarily be subject to and limited by the provisions of any contracts to which the University or University personnel are parties, provided any such contracts of University personnel are authorized as provided elsewhere in this Memorandum.

g) **University's Right to Dispose of Inventions and Materials**

Notwithstanding any determination made by the Committee, or any other provision of this Memorandum, the University reserves the sole right to negotiate and enter into contracts for the exercise, sale, or other disposition of any and all rights in Inventions and Materials belonging to the University, under Section III herein, on such terms and conditions and for such consideration, if any, as the University shall determine, and University personnel shall have no rights with respect thereto except the right to receive such share of the net proceeds, if any, as the Committee determines, provided however, that in the case of Materials, all such agreements by the University shall contain appropriate provisions agreeable to the University and University personnel involved pertaining to the use and reuse of the Materials within and without the University, the length of time in which the Materials may be used or reused, and the revision or withdrawal of the Materials.

V. **Procedure**

1) **Report of Inventions and Materials**

All inventions and materials which may belong to the University under the provisions of this Memorandum, except computer programs obviously without significant commercial value, shall be promptly reported in writing by the University personnel concerned through the appropriate department head and dean to the Committee. If more than one individual participated in the discovery or development, the report shall be signed by all such participants. The report shall constitute a full and complete disclosure of the subject matter of the discovery or development and the identity of all persons participating therein. The participants shall furnish such additional information and execute such documents from time to time as the Committee may reasonably request.

A person who has any question as to the possible commercial value of particular Inventions or Materials, or as to possible University ownership shall report the relevant facts through the appropriate department head and dean to the Committee Secretary in the Division of Sponsored Programs. The department head and dean should submit their written recommendations on the case to the Committee.

2) **Action by the Committee**

The Committee shall promptly consider all reports of Inventions and Materials and shall make the determinations required under Section IV 2) within a reasonable time. The University personnel involved shall be entitled to appear before the Committee and present evidence with respect to the report. The Committee's determination shall be made in writing and shall contain a statement of its findings and grounds of decision.

3) **Review of Committee Action**

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The President of the University may review any determination of the Committee, and he shall do so at the request of any interested person. He may affirm, modify, or reject any determination of the Committee, or refer the matter to the Board of Trustees of the University for final determination, with his recommendations. If the Committee recommends that in any particular case the University should have less than a two-thirds interest in Inventions or Materials belonging to the University, such recommendation shall be referred to the Board of Trustees through the President of the University, and the action of the Board of Trustees shall be final. The determination of the Committee, the President of the University, or the Board of Trustees of the University, as the case may be, shall be final and conclusive and binding upon the University personnel involved as well as upon the University.

4) **Organization and Powers of the Committee**

a) **Organization**

The Committee shall consist of eleven members appointed by the President of the University. There shall be three ex officio members: the Vice President and Treasurer of the University; the Vice President for Research of the University; and the Business Manager of the University. There shall be eight additional members appointed by the President for terms of three years each. Three of these shall be appointed upon the recommendation of the University Senate. The terms of the Senate members shall be staggered to provide that one new member per year will be added to the Committee.

The Vice President for Research shall be Chairman of the Committee, which shall elect such other officers as it deems necessary. One of the Committee members appointed by the President shall be designated as Executive Secretary of the Committee and will be responsible for keeping appropriate written records of its proceedings and actions.

b) **Powers**

Subject to the approval and authority of the Board of Trustees of the University, the Committee shall have the following powers:

(1) Make the determinations required of it by Section IV 2); appoint such subcommittees and consult with such experts as it may deem necessary in connection therewith; and consult with the officers of the University concerning the implementation of such determinations.
(2) Adopt administrative regulations governing matters under its jurisdiction not inconsistent with this Memorandum.
(3) Take such other action in connection with Inventions and Materials in which the University has or may have an interest as may be requested or approved by the President of the University.
(4) Review from time to time the policy set forth in this Memorandum and recommend changes to the President.

VI. **Miscellaneous**

1) **Memorandum Binding on University Personnel**

This Memorandum as amended from time to time shall be deemed to be a part of the conditions of employment of every employee of the University and a part of the conditions of enrollment and attendance at the University by students.

2) **Designee**

The University may designate Purdue Research Foundation or any other representative to act for it in any respect hereunder.

3) **Amendments**

This Memorandum may be amended or rescinded in whole or in part at any time by the Board of Trustees of the University or by the President of the University under the authority of the Board of Trustees.

Arthur G. Hansen
President

THE ROCKEFELLER UNIVERSITY

Patent Policy

The Rockefeller University (hereinafter called the "University") recognizes that patentable inventions may be made in the course of research sponsored by the University and supported in whole or in part with funds furnished by it or others. It is the desire of the University that such inventions be administered in such a manner that they are brought into public use for public benefit at the earliest possible time. The University recognizes that this may best be accomplished through patenting and licensing of such inventions in a manner consistent with the public interest, and for such purpose the Board of Trustees of the University hereby establishes the
-38- patent policy set forth herein, which policy said Board may amend from time to time as it deems necessary or desirable, and which policy supersedes any and all prior statements of University patent policy.

1. All inventions or improvements, whether patentable or not, which are conceived or reduced to practice or as to which research or development work is done, by employees of the University or by others who utilize research or development facilities owned by or otherwise made available by the University, excepting such facilities as are under lease to any organization not subject to the supervision of the Board of Trustees of the University, (such employees and such others being hereinafter collectively called "Inventors") and while the respective Inventors are employed by the University or are utilizing such facilities, and which inventions or improvements arise from or are otherwise related to any research or development work sponsored by

the University or are otherwise related to any operations or activities of the University (such inventions and improvements being hereinafter collectively called "University Inventions"), shall be administered in accordance with the following provisions of this patent policy.

2. As soon as reasonably possible in each case, all University Inventions shall be disclosed in writing to the President of the University (hereinafter called the "President"). The President shall be kept fully and currently informed in writing of the progress and results of all research and development work done with respect to such inventions.

a. All University Inventions shall be the sole property of the University, except where ownership of such an Invention is subject to or is disposed of in accordance with any other provision of this patent policy. -39-

b. All University Inventions shall be assigned by the respective Inventors to the University or its designees, as directed by the President, except in cases where such an Invention is released to the Inventor(s) thereof by the President.

c. All employees of the University who are engaged in research or development work, and all others who utilize research or development facilities owned by or otherwise made available by the University (excepting such facilities as are under lease to any organization not subject to the supervision of the Board of Trustees of the University), will be requested to sign agreements reflecting the existence of this patent policy.

3. If the research and development work as to any University Invention is financed jointly by the University and one or more third parties or solely by one or more third parties (whether such third parties are agencies or departments of the United States Government, or are other entities), the University will confer with such third party or parties in order to arrive at a mutually satisfactory disposition as to ownership, licensing and use of the Invention.

4. Consistent with paragraphs 2 and 3 above, the President shall determine and carry out the disposition or retention of all University Inventions, and the administration of all such Inventions which remain the property of the University.

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5. As to each University Invention which the University owns, the President shall determine that the Invention be dealt with in accordance with one of the following alternatives:

a. The Invention be submitted and assigned to Research Corporation or to another similar non-profit organization, for administration thereof.

b. Ownership and administration of the Invention be retained by the University, and patents thereon be applied for and administered by the University in such countries, including the United States, as determined by the President: Provided, however, that, without the prior written approval of the Executive Committee of the University's Board of Trustees, the University shall not bring, prosecute or defend any litigation in court involving said Invention or any patent or patent application relating thereto.

c. Ownership and administration of the Invention be retained by the University, but no patent applications be filed thereon.

d. Such other disposition or retention of the ownership or administration of the Invention as the President determines to be in the best interest of the University.

e. The Invention be released to the Inventor(s) or his or their designee(s), but only upon prior written determination by the President that such release is in the best interest of the University

6. In the event that a University Invention is licensed for use other than by the University, the Inventor(s) thereof may share in the net royalty income derived by the University from the Invention, but only in such amount as may be determined by the President: Provided, however, that such Inventor(s) shall not be paid more than 15% (fifteen percent) of such net royalty income.

University Policy Regarding Patents

PREAMBLE

The Regents of the University of California is disposed, as hereinafter stated, to assist members of the faculties and employees of the University in all matters related to patents based on discoveries and inventions developed in situations where the invention has been conceived or developed by them.

It is recognized that such inventions may, and frequently do, involve equities beyond those of the inventor himself. The use of University facilities or services, the particular assignment of duties, or conditions of employment, the possible claims of a cooperating agency, as in research supported from extramural funds; these and other situations may give rise to a complex of interrelated equities or rights involving the inventor, the University, and a cooperating agency. Such rights or equities must be appraised and an agreement reached on the proper disposition of them. It is further recognized that the 15th All-University Faculty Conference of 1960 adopted a resolution urging further use of inventions as a source of intramural funds for research within the University. Therefore, to appraise and determine relative rights and equities of all parties concerned, to facilitate patent applications, licensing, equitable distribution of royalties, if any, to obtain funds for research, and to provide a uniform procedure in patent matters where such originate within the University, the policy herein set down is adopted.

STATEMENT OF POLICY

1. All matters relating to patents in which the University of California is in any way concerned shall be administered by an agency known as the University of California Board of Patents.

2. a. The Board of Patents shall be appointed by The Regents. It shall have full power of organization, except as hereinafter provided, subject to the provision that it meet at least once a year; and the members shall serve without extra compensation at the pleasure of The Regents. The normal term of appointment shall be for three (3) years.

b. The Board shall consist of eleven (11) persons selected from among the faculties and the administration of the University, and of such other groups as The Regents may determine, but of this number the Committee on Committees of the Academic Senate shall select from the Senate at large one (1) person to serve as ex officio member for a period of three (3) years. The Chairman of the Board and Administrator of Patents shall be approved by The Regents upon the recommendation of the President of the University.

3. The following powers and duties shall be exercised by the Board of Patents:

a. To appoint a committee of experts to examine the merits of each potentially patentable invention and to cause such committee to report its findings to the Board.

b. To determine the relative equities or rights held by the inventor and The Regents or by a cooperating agency, if any, and to reach an agreement among all parties concerned with respect to such equities.

c. To authorize applications for patent and to retain patent counsel, in association with the General Counsel, for matters pertaining to the filing of patent applications, the prosecution thereof, and the litigation that may arise therefrom.

d. To release patent rights to the inventor in unusual circumstances where the equities so indicate, subject to his granting a shop right to The Regents.

e. To negotiate licenses and other agreements covering the manufacture, use and sale or lease of patented articles, or processes resulting from patents or inventions.

f. To arrange for and direct the collection of royalties and fees and the distribution thereof to those entitled thereto.

g. To assist in negotiation with appropriate University officers to obtain from cooperating agencies agreements concerning patent rights to inventions or discoveries made as a result of research carried on under grants or contracts.

h. In its consideration of matters relating to each particular patent case or situation, the Board of Patents shall take into consideration the principles laid down in the patent laws and in the court decisions of the United States.

i. To make such reports and recommendations to The Regents as The Regents shall direct.

4. Members of the faculties and employees shall make appropriate reports of any inventions they have conceived or developed to the Board of Patents.

5. An agreement to assign inventions and patents to The Regents of the University of California, except those resulting from permissible consulting activities without use of University facilities, shall be mandatory for all employees, academic and nonacademic. Releases shall be executed, where the equities so indicate, as determined by the University of California Board of Patents. Subject to overriding obligations assumed by The Regents, University faculty and staff members who are employed under research contracts, grants in aid or service to industry agreements or special State appropriations covering specific activites shall make such assignment of inventions and patents as is necessary in each specific case in order that the University may discharge its obligations, expressed or implied, under the particular agreement.

6. The Regents is averse to seeking protective patents and will not seek such patents unless the discoverer or inventor can demonstrate that the securing of the patent is important to the University.

7. The Regents agrees, for and in consideration of said assignment of patent rights, to pay annually to the inventor, his heirs, successors, and assigns, fifty (50) percent of the royalties and fees received by The Regents after a deduction of fifteen (15) percent thereof for overhead costs plus a deduction for cost of patenting and protection of patent rights. Distribution shall be made annually in February from the amount received during the penultimate year. In the event of any litigation, actual or imminent, or any other action to protect patent rights, The Regents may withhold distribution and impound royalties until resolution of the matter.

8. In the disposition of any net income accruing to The Regents from patents first consideration will be given to promotion of research.

Revised September 21, 1978

Series 9398

UNIVERSITY COPYRIGHT POLICY

I. Purpose and Scope

This statement sets forth the policy of the University governing the administration of copyright matters. It supersedes the University Copyright Regulation issued on November 5, 1962, and it is effective immediately.

II. Definitions

For the purposes of this policy, the following definitions shall apply:

Assignment of Rights: An assignment of rights is a transfer of rights under copyright by the owner.

Author: An author is one or more individuals, singly or as a group, who produces copyrightable material.

Book: The word "book" includes such published works as fiction, nonfiction, poems, compilations, composite works, directories, catalogues, annual publications, information in tabular form, and similar text matter, with or without illustrations, as books, either bound or in loose-leaf form, pamphlets, leaflets, cards, single pages, or the like.

Contractual Agreement: A contractual agreement is any enforceable agreement between the University and other individuals or parties.

Copyright: A copyright is the right of the owners not to have material resulting from creative or intellectual labor copied or commercially used without their consent.

Fair Use: Fair use is a use of copyrighted material which is permitted by law even though no express authorization is granted by the copyright owner.

Infringement: An infringement occurs when any of the rights granted by law to the copyright owner are exercised without permission, for example, when a material portion of a copyrighted work is copied or is commercially exploited without such permission.

License: A license creates a contractual relationship in which the owner under a copyright grants permission for use of the copyrighted material.

Material: The term "material" refers to all copyrightable works, including but not limited to, writings, lectures, musical or dramatic compositions, sound recordings, films, videotapes and other pictorial reproductions, computer programs, listings, flow charts, manuals, codes, instructions, and software.

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Owner: The term "owner" refers to the party who owns or controls rights to copyrightable material, whether under copyright or otherwise, and who has the right to sell, assign, distribute, or license the use of such material.

Public Domain: Material is said to be in the public domain if it is not protected by common law or statutory copyright and, therefore, is available for copying without infringement.

Publication: Publication occurs when by consent of the copyright owner the original or tangible copies of a work are sold, leased, loaned, given away, or otherwise made available to the general public or when an authorized offer is made to dispose of the work in any such manner, even if a sale or other disposition does not, in fact, occur.

University Funds: University funds are those funds, regardless of the source, that are administered under the control, responsibility, or authority of the University.

III. Ownership of and Other Rights Related to Copyrightable Material

A. It shall be the policy of the University that copyrightable material in the form of books, musical or dramatic compositions, architectural designs, paintings, sculptures, or other works of comparable type developed by employees either in conjunction with or aside from their University employment shall be the property of the author unless the material is prepared by means of special contractual arrangements or as a specific part of their University assignment. A faculty member's general obligation to produce scholarly works does not constitute such a specific University assignment.

B. Copyrightable material, other than that mentioned in A. above, developed by employees either in conjunction with or aside from their University employment utilizing University funds, or the staff, equipment, and facilities of the Learning Resources, Media, and Computer Centers or other University production facilities shall be the property of the University and shall, at the University's option, be copyrighted in the name of The Regents. However, the University shall provide for the disclosure of appropriate credits and shall consider the comments of participating employees regarding subsequent presentation of the material. The University may allow employees who develop copyrightable material, other than that mentioned in A. above, using University resources, to share in any royalties which accrue from the sale or lease of such material outside the University, provided an appropriate agreement is entered into prior to the beginning of a project. ~~Any such agreement shall provide for the University to recover its full development costs for the project before an employee may be allowed a share in the royalties.~~ Any such agreement shall take into account the employee's effort and contribution as well as the extent of the University's development costs (and any conditions on the recoupment of such costs imposed by extramural funding sources) in setting the employee's royalty, the University's income share, and the recoupment of the University's costs. -45-

In all other cases, when the above facilities are utilized on a reimbursable basis to develop copyrightable material, an agreement shall be executed in advance setting forth the understanding regarding the use of facilities, ownership rights, and financial arrangements.

C. Copyrightable material, other than that mentioned in A. above, prepared without the use of University funds and facilities by employees in conjunction with their University employment shall be the property of the author unless the material was prepared through special contractual arrangements. However, the University shall reserve the right to receive a free and irrevocable license to use such material in connection with its educational, research, and public service functions. It shall be the policy of the University to acquire only such license right, leaving authors free to establish copyrights in their own names if they wish. The University shall not profit from the use of such material, and authors shall have the right to periodically comment on the material as provided in B. above.

D. In all cases in which persons or organizations other than University employees prepare copyrightable material with the support of University resources or facilities, exclusive of libraries, an agreement shall be executed in advance setting forth the understanding regarding the use of facilities, ownership rights, and financial arrangements.

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E. In instances when the copyright is in the name of the author, the name of the University shall not be used in connection with publication, production, or distribution of the material, except in such form as approved by Chancellors, Vice Presidents, and Laboratory Directors. Such approval must be in accordance with the University Policy to Permit Use of the University's Name. (Attachment I.)

IV. University Copyright Authority

Chancellors, Vice Presidents, and Laboratory Directors are authorized to enter into agreements with respect to ownership and other rights related to copyrightable material, to obtain copyrights, and to grant licenses in the name of The Regents for all copyrightable material under their jurisdiction. The attached standard form (see Attachment II.) shall be utilized as the license agreement, except for those instances that shall be referred to General Counsel as noted in Section IX. Chancellors, Vice Presidents, and Laboratory Directors shall assure for their respective jurisdictions establishment and maintenance of a central file of all non-University Press book and film copyrights secured in the name of the University and licenses granted by the University, and shall provide for renewal of such copyrights as necessary. The Vice President--University and Student Relations shall be provided with notification of each such copyright obtained.

V. Required Copyright Notice

Property rights in copyrightable material may be secured for a published work by publishing the work in printed or otherwise processed form bearing a proper copyright notice. The right to secure copyright is lost if an adequate notice of copyright is not on the work at the time of publication. Therefore, the copyright notice must include either the word "copyright", the abbreviation "Copr.", or the symbol "©", accompanied by the name of the copyright owner and the year of first publication. Both the word "copyright" and the symbol "©", i.e., "Copyright © 1973 by [copyright owner]" are recommended. For printed material, this notice must appear on the title page or on the page immediately following. For motion pictures, this notice must be included in the title frames or as near to them as possible. For other types of material except sound recordings, any location that is reasonably calculated to give notice to the public is sufficient.

For sound recordings, the notice must be indicated on the label by the designation (P), the year of first performance of the sound recording, and the name of the owner of the copyright in the sound recording. -47-

Copyright law also provides for the registration of the copyright with the copyright office of the Library of Congress. The forms for registering copyrightable material may be obtained from the Register of Copyrights, U. S. Copyright Office, Washington, D. C. 20025.

VI. Obtaining Licenses Without Charge for Use of Non-University Copyrighted Material

The following guidelines should be observed when making University requests for free licenses to use non-University copyrighted material:

A. the request should be for no greater rights than are actually needed;

B. the request should fully identify the material for which permission to publish or use is requested; and

C. the request should be submitted to the copyright owner in duplicate so that the owner may retain one copy and return the other copy indicating consent.

Attached is a copy of a sample letter for use in requesting permission to use non-University copyrighted material without charge. (Attachment III.)

VII. Purchase of Licenses for Use of Non-University Copyrighted Material

Licenses for the use of non-University copyrighted material may be purchased by the University in the event the copyright owner refuses to grant a free license and if it is determined that the official use of the copyrighted material is either essential or desirable.

If it is determined that a license should be purchased, General Counsel shall be consulted when there are questions with respect to the material involving considerations of public domain and of the applicability of the fair use doctrine. (Note also Section IX. concerning requirements for obtaining advice from General Counsel.)

Attached is a copy of a sample license for use of non-University copyrighted material where a license fee or charge is requested by the non-University copyright owner. (Attachment IV.)

VIII. Grant of Permission for Use of University Copyrighted Material

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Prior to granting a license for the use of University copyrighted material, Chancellors, Vice Presidents, and Laboratory Directors shall determine that the form, use, and distribution of material do not constitute adverse competition with programs of the University and shall determine the monetary consideration to be asked in exchange for a license.

Attached is a copy of the standard license agreement for use for granting permission to use University copyrighted material. (Attachment II.)

IX. Necessity for General Counsel Approval

General Counsel has prepared the attached standard forms. One form is to be used in conjunction with Section VI. (Permission to Use Non-University Copyrighted Material Without Charge, Attachment III.) Another form is to be used for situations arising under Section VII. (License Fee or Charge is Requested by Non-University Copyright Owner, Attachment IV.) The final form is to be used when permission is granted for use of University copyrighted material in accordance with Section VIII. (Attachment II.) Use of the standard license forms will relieve those who are authorized to grant or seek licenses of the necessity of seeking advice or informing General Counsel each time a license is issued or obtained. However, when there is a question regarding the necessity for a license or when there is a deviation from the standard forms, General Counsel shall be consulted.

X. Implementing Procedures

Chancellors, Vice Presidents, and Laboratory Directors may issue supplementary regulations and implementing procedures consistent with this policy. All such proposed regulations and procedures shall be submitted to the President prior to issuance for review as to consistency with University-wide policy.

Attachment I

C O P Y

Office of the President

March 23, 1970

CHANCELLORS:
VICE PRESIDENT--UNIVERSITY RELATIONS:
LABORATORY DIRECTORS:

Delegation of Authority -- Policy to Permit Use of the University's Name

Effective immediately, authority to permit the use of the University's name is delegated as follows:

1. Each Chancellor is delegated, within his area of jurisdiction, authority to permit use of campus names (e.g., University of California, Davis), and/or abbreviations (e.g., UCLA), or any other name of which said designations or abbreviations are a part.

2. The Vice President--University Relations is delegated authority to permit use of the name "University of California", the abbreviation "UC", any other name or abbreviation that has University-wide application or is of concern to more than one campus, or any other -50- name of which said designations or abbreviations are a part.

3. The Director of the Lawrence Radiation Laboratory and the Director of the Los Alamos Scientific Laboratory are delegated authority to permit use of the University's name in connection with activities, products, or services at each of the installations under their jurisdiction.

4. Concurrence of the General Counsel is required before permission is granted for either commercial use of the name of the University, or non-commercial use by organizations and groups. This concurrence can be fulfilled by use of the attached form. If the form is to be modified, the proposed alterations must be referred to the General Counsel for specific approval. Moreover, if University officials to whom delegations are made by this regulation believe that unusual University liability or exposure may develop from granting the sought permission, that request should also be referred to the General Counsel for specific concurrence.

In reaching a decision to grant or withhold permission for use of the University's name or an abbreviation, Officers are to be guided by the following policy considerations:

A. COMMERCIAL USE

1. Approval shall not be given to advertising listing the University as a user of any product or service or as the source of research information on which a commercial program or publication is based, except that approval may be granted for institutional or goodwill

advertising clearly regarded as being in the best interests of the University. If any doubt exists as to whether the use of the University's name will contribute to the best interests of the University, the permission shall be withheld.

2. Manufacture and distribution of all commercial products (e.g., lighters, clothing, pennants, drinking glasses, mugs) bearing the name or decorative seal of a campus shall be permitted only upon a franchise granted by the Chancellor or his designated representative. All such manufactured products shall be produced only after prior express permission of the Chancellor and must be distributed exclusively through the campus bookstore or authorized distributors operating under a franchise granted by the Chancellor. Other authorized distributors must receive their merchandise through a designated campus bookstore.

3. Requests for manufacture and distribution of all commercial products bearing the name and/or unofficial corporate seal of the University of California, as distinguished from that of a single campus, shall be referred to the Vice President--University Relations. In approving such request, the Vice President--University Relations shall authorize distribution solely through one or more of the bookstores of the campuses or shall authorize other distributors who will receive their merchandise through a designated campus bookstore, and shall notify the Chancellor on each of the campuses. -51-

B. NON-COMMERCIAL USE BY ORGANIZATIONS AND GROUPS

1. Use of the University's name to designate such groups as professional associations, employee organizations, athletic, cultural, and other interest groups may be granted when deemed to be in the best interest of the University. (For use of the University's name by student organizations, see latest edition of University of California Policies Relating to Students and Student Organizations, Use of University Facilities, and Nondiscrimination). If any doubt exists as to whether the use will contribute to the best interests of the University, the permission shall be withheld.

2. Permission when granted shall include the understanding that the permission does not involve, either expressly or by implication, the following:

   (a) Any endorsement or sponsorship by the University; in appropriate circumstances permission may be made conditional upon a requirement of an express statement that the University does not endorse or sponsor the particular activity.

   (b) Any obligation to provide budgetary support or office space.

3. Chancellors on other campuses shall be consulted (perhaps at a meeting of the Council of Chancellors), when a decision to permit use of the University's name on one campus would make it difficult

to deny a similar request on another (e.g., a request from another chapter or affiliate of the same organization or group).

4. Permission shall be granted with the understanding that it may be withdrawn at any time the authorizing official determines that further usage will not be in the best interests of the University or that there has been a failure to adhere to the basis on which the request to use the name or abbreviation was originally submitted and approved.

C. USE BY INDIVIDUAL EMPLOYEES

1. An individual employee of the University not acting within the scope of his employment may make a true and accurate statement of his relationship or connection with or his employment by the University of California in the course of stating his experience or qualifications for any academic, governmental, business, or professional credit or enrollment, or in connection with any academic, governmental, professional or other employment.

2. In all other situations, such an employee may accurately state his relationship to the University except in those circumstances in which such identification might reasonably be construed as implying the support, endorsement, advancement, or opposition of any political, religious, sociological, or economic movement, activity, or program
-52- by the University. In such circumstances it is the responsibility of the employee to issue an appropriate disclaimer concurrent with the use of the University name declaring in substance that the University is not involved in the particular activity or program.

This delegation of authority supersedes the Policy Concerning Delegation of Authority to Permit Commercial Use of the University's Name dated December 13, 1963 and reissued September 7, 1965.

(Original Signed C. J. Hitch)

Charles J. Hitch

Attachment

cc: Administrative Officers, Office of the President
Principal Officers of The Regents

[Note: Effective July 1, 1975, references throughout to the title Vice President--University Relations shall be to the title Vice President—University and Student Relations.]

[Note: Reference to "University of California Policies Relating to Students and Student Organizations, Use of University Facilities, and Nondiscrimination" should now be "University of California Policies Applying to Campus Activities, Organizations, and Students".]

Attachment to Policy to Permit Use of the University's Name

REVOCABLE LICENSE TO USE THE NAME OF THE UNIVERSITY OF CALIFORNIA

WHEREAS, Education Code of the State of California Section 23001 prohibits the use of the name of the University of California, or any abbreviation of this name or any name of which the name "University of California" is a part, for certain purposes; and

WHEREAS, _____, (hereinafter referred to as Licensee) is desirous of using the name of the University of California, or an abbreviation thereof, in the following style and for the following purpose:

_____

_____:

NOW THEREFORE, The Regents of the University of California agrees to and does hereby grant a revocable license to Licensee to use the name of the University of California only and expressly in the style and for the purpose to which reference hereinabove has been made.

In consideration of the granting of this revocable license, Licensee agrees to indemnify and hold harmless The Regents of the University of California, officers, employees, servants, or agents thereof, from any and all liability arising from the use of the name pursuant to this license.

Licensee also agrees that in the exercise of this license, it will not state or imply either directly or indirectly that the licensee or the licensee's activities are supported, endorsed or sponsored by the licensor and, upon the direction of the licensor, shall issue express disclaimers to that effect.

It is understood that this license may be revoked at will.

Dated: _____.

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: _____

LICENSEE

[LICENSE FOR GRANTING PERMISSION TO USE UNIVERSITY COPYRIGHTED MATERIAL -- SECTION VIII OF UNIVERSITY COPYRIGHT POLICY]

LICENSE AGREEMENT

This License Agreement is made and entered into this ___ day of _____, 19__, by and between THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California corporation, hereinafter called "Licensor," and _____, a _____, having an address at _____, _____, hereinafter called "Licensee";

W I T N E S S E T H:

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WHEREAS, Licensor owns and is the proprietor of the copyright of and to a publication entitled "_____"; and

WHEREAS, Licensee desires to obtain from Licensor, and Licensor desires to grant to Licensee, a license to publish and use (portions of) the aforementioned publication;

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and terms hereinafter set forth, and for other good and valuable consideration, the parties hereto hereby agree as follows:

1. Licensor hereby grants to Licensee a nonexclusive, nontransferable and revocable license to publish and use (the following portions of) the aforementioned publication (_____) in connection with _____ _____.

2. Licensee, for and in consideration and as a condition of granting this license, hereby agrees to pay over to Licensor $_____.

3. Licensee, for and in consideration of and as a consideration of granting this license, hereby agrees to indemnify and hold harmless and release and forever discharge Licensor, its agents, officers, assistants, and employees thereof, either in their individual capacities or by reason of their relationship to the Licensor and successors, from any and all claims and demands whatsoever which Licensee and any or all other persons have against the Licensor, or any or all of the above mentioned persons or their successors, by reason of any damage, or other consequences arising or resulting directly or indirectly from the license herein and hereby granted and occurring at any time subsequent to such grant of license.

4. In any publication to be made pursuant to this license, Licensee shall include an acknowledgment of the source of the material contained in such publication and shall indicate that such material is copyrighted and that permission for the publication or other use thereof may be granted only by Licensor. -55-

5. This license shall commence on the date hereof and shall extend to _____, 19__. In any event, this license may be earlier terminated by written notice from the Licensor to the Licensee, delivered to the said Licensee in not less than 60 days prior to the date on which the license is to terminate.

IN WITNESS WHEREOF, the parties hereto have hereinafter executed this agreement on the day and year first above written.

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA

By_____
Licensor

_____
Licensee

Attachment III

[REQUEST FOR PERMISSION TO USE NON-UNIVERSITY COPYRIGHTED MATERIAL WHERE NO CHARGE IS REQUESTED BY COPYRIGHT OWNER -- SECTION VI OF UNIVERSITY COPYRIGHT POLICY]

Dear Sir:

I would appreciate receiving your permission to use, without charge, in a _____ the following material from your book/periodical:

Title _____

Copyright Owner _____

Author _____

Title of Article, Chapter, etc. _____

From page ____, line ____, beginning with the words, "_____

_____"

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to page ____, line ____, ending with the words, "_____

_____"

Illustration(s) _____

appearing on page(s) _____

Proper acknowledgment of title, author, copyright owner and copyright date will be given.

Would you kindly indicate your permission below. An extra copy is enclosed for your records.

Sincerely,

Permission Granted: _____

_____

_____

(Signature of Copyright Owner or its agent)

Date: _____

California -- 15

[LICENSE OF NON-UNIVERSITY COPYRIGHTED MATERIAL WHERE A LICENSE FEE OR CHARGE IS REQUESTED BY NON-UNIVERSITY COPYRIGHT OWNER -- SECTION VII OF UNIVERSITY COPYRIGHT POLICY]

LICENSE AGREEMENT

This License Agreement is made and entered into this ___ day of _____, 19__, by and between THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California corporation, hereinafter called "Licensee", and

_____,

a _____,

having an adress at _____,

_____,

hereinafter called "Licensor";

W I T N E S S E T H:

WHEREAS, Licensor owns and is the proprietor of the copyright of and to a publication entitled "_____"; and

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WHEREAS, Licensee desires to obtain from Licensor, and Licensor desires to grant to Licensee, a license to publish and use (portions of) the aforementioned publication;

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and terms hereinafter set forth, and for other good and valuable consideration, the parties hereto hereby agree as follows:

1. Licensor hereby grants to Licensee a nonexclusive, nontransferable and revocable license to publish and use (the following portions of) the aforementioned publication (_____) in connection with _____

_____.

2. Licensee, for and in consideration and as a condition of granting this license, hereby agrees to pay over to Licensor $_____.

3. Licensee, for and in consideration of and as a consideration of granting this license, hereby agrees to indemnify and hold harmless and release and forever discharge Licensor from any and all claims and demands arising from the tortious acts of Licensee, its officers, employees or agents in the exercise of this license.

4. In any publication to be made pursuant to this license, Licensee shall include an acknowledgment of the source of the material contained in such publication and shall indicate that such material is copyrighted and that permission for the publication or other use thereof may be granted only by Licensor.

5. This license shall commence on the date hereof and shall extend to _____, 19__.

IN WITNESS WHEREOF, the parties hereto have hereinafter executed this agreement on the day and year first above written.

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA

By_____
Licensee

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_____
Licensor

Copied from: General Statutes of Connecticut, Revision of 1958 and the 1965 Supplement to the General Statutes

(these statutes have not been amended as of 3/29/78)

Sec. 10-124. Research foundation. Definitions. As used in sections 10-125 to 10-131, inclusive, "university" means The University of Connecticut; "board" means the board of trustees of the university; "foundation" means the research foundation established in accordance with section 10-125; "employee" means any member of the faculty or staff of the university or the foundation, or any other employee thereof; "invention" means any invention or discovery and shall be divided into the following categories: A. Any invention conceived by one employee solely, or by employees jointly; B. any invention conceived by one or more employees jointly with one or more other persons; C. any invention conceived by one or more persons not employees. (1949 Rev., S. 3278.)

Sec. 10-125. Establishment and management of foundation. The board is authorized to establish and manage the foundation as provided herein. The foundation may, subject to direction, regulation and authorization or ratification by the board: (1) Receive, solicit, contract for and collect, and hold in separate custody for purposes herein expressed or implied, endowments, donations, compensation and reimbursement, in the form of money paid or promised, services, materials, equipment or any other things tangible or intangible that may be acceptable to the foundation; (2) disburse funds acquired by the foundation from any source, for purposes of instruction, research, invention, discovery, development or engineering, for the dissemination of information related to such activities, and for other purposes approved by the board and consistent with sections 10-124 to 10-131, inclusive; (3) file and prosecute patent applications and obtain patents, relating to inventions or discoveries which the university may be justly entitled to own or control, wholly or partly, under circumstances hereinafter defined; and receive and hold in separate custody, assignments, grants, licenses and other rights in respect to such inventions, discoveries, patent applications and patents; (4) make assignments, grants, licenses or other disposal, equitably in the public interest, of any rights owned, acquired or controlled by the foundation, in or to inventions, discoveries, patent applications and patents; and to charge therefor and collect, and to incorporate in funds in the custody of the foundation, reasonable compensation in such form and measure as the board authorizes or ratifies; and (5) execute contracts with employees or others for the purpose of carrying out the provisions of sections 10-124 to 10-131, inclusive. All property and rights of every character, tangible and intangible, placed in the custody of the foundation in accordance with said sections shall be held by the foundation in trust for the uses of the university. The entire beneficial ownership thereof shall vest in the university and the board shall exercise complete control thereof. (1949 Rev., S. 3279.)

Sec. 10-126. Ownership of inventions. The university shall be entitled to own, or to participate in the ownership of, and to place in the custody of the foundation to the extent of such ownership, any invention, on the following conditions: (a) The university shall be entitled to own the entire right, title and interest in and to any invention in category A, in any instance in which such invention is conceived in the course of performance of customary or assigned duties of the employee inventor or inventors, or in which the invention emerges from any research, development or other program of the university, or is conceived or developed wholly or partly at the expense of the university, or with the aid of its equipment, facilities or personnel. In each such instance, the employee inventor shall be deemed to be obligated, by reason of his employment by the university, to disclose his invention fully and promptly to an authorized executive of the university; to assign to the university the entire right, title and interest in and to each invention in category A; to execute instruments of assignment to that effect; to execute such proper patent applications on such invention as may be requested by an authorized executive of the university, and to give all reasonable aid in the prosecution of such patent applications and the procurement of patents thereon; (b) the university shall have the rights defined in subsection (a) of this section with respect to inventions in category B, to the extent to which an employee has or employees have disposable interests therein; and to the same extent the employee or employees shall be obligated as defined in said subsection (a); (c) the university shall have no right to inventions in category C, except as may be otherwise provided in contracts, express or implied, between the university or the foundation and those entitled to the control of inventions in category C. (1949 Rev., S. 3280.)

Sec. 10-127. Employees to share in proceeds. Each employee who conceives any invention and discharges his obligations to the university as hereinbefore provided shall be entitled to share in any net proceeds that may be derived from the assignment, grant, license or other disposal of such invention. The amount of such net proceeds shall be computed by, or with the approval of, the board, with reasonable promptness after collection thereof, and after deducting from gross proceeds such costs and expenses as may be reasonably allocated to the particular invention or discovery. A minimum of twenty per cent of the amount of such net proceeds shall be paid to an employee who solely conceived or made the invention, and shall be paid in shares to two or more employees who jointly made the invention in such respective proportions as the board may determine. The board in its discretion may increase the amount by which any employee or employees may participate in such net proceeds. (1949 Rev., S. 3281.)

Sec. 10-128. Disagreements; procedure. Disagreements as to the allocation of any invention to one of said categories, or as to the obligations of any employee or due performance thereof, or as to participation of any employee in net proceeds, or as to rights or obligations with reference to inventions in any category, shall be disposed of as follows: (a) By voluntary arbitration of all relevant issues, if the disagreeing parties approve and agree to be bound by the decision upon such arbitration; (b) by compulsory arbitration if that is provided for in any applicable contract between the disagreeing parties; (c) by recourse to courts of appropriate jurisdiction within the state if arbitration cannot be resorted to under either subsection (a) or (b) of this section. (1949 Rev., S. 3282.)

Sec. 10-129. Regulations for arbitration. The board is authorized to establish and regulate, equitably in the public interest, such measures as the board deems necessary for the purposes of such arbitration, and to make contracts for compulsory arbitration, in the name of the university or of the foundation. (1949 Rev., S. 3283.)

Sec. 10-130. Enforcement of regulations. The board is authorized to make and enforce regulations to govern the operations of the university and the foundation in accordance with the provisions of sections 10-124 to 10-131, inclusive. (1949 Rev., S. 3284.)

Sec. 10-131. Rights as to products of authorship. The provisions of sections 10-124 to 10-131, inclusive, shall not entitle the university or the foundation to claim any literary, artistic, musical or other product of authorship covered by actual or potential copyright under the laws of the United States; but the university and the foundation shall each be authorized to make and enforce any contract, express or implied, which it may make with reference to any such subject matter. (1949 Rev., S. 3285.)

Guidelines for Development and Patenting of Inventions by Members of the University Staff

March 19, 1969

1. The Patent Committee of the University shall encourage, in every way possible, the conception and development of inventions. The Patent Committee shall serve as a review or advisory group to consider a course of action appropriate in each instance. The Committee shall make its recommendations to the Research Council and the Dean of the Graduate School.
2. The University may be expected to provide any assistance which is feasible, through awards by the Research Foundation or other funds of the University, for:
   a. development of original concepts that may be patentable,
   b. payment of legal and other fees for filing U.S. and foreign patent applications,
   c. the construction of a working model or the establishment of the conditions and limitations of patentable processes.

3. When a patent application has been filed,
   a. the inventor shall, as required by statute, execute an assignment of the patent to the University.
   b. the inventor shall enter into an agreement, approved by the Board of Trustees, which will establish the shares of the net income to be distributed to the inventor(s) and to the University. Because the items of expense necessary to obtain a patent and market a device or process differ from case to case, the definition of "net income" will be provided in the agreement with the inventor. Ordinarily, it is expected that such expenses as legal fees, travel related to the patenting or marketing of the invention, clerical or research services, construction and demonstration of a working model, and similar expenses directly related to procedures necessary for the marketing of the product, should be deducted from the gross royalties. However, salary paid to the inventor during the conception, development, licensing or marketing of the invention shall not be deducted from the gross royalties, unless at the request of the inventor, the University provides a stipend or special compensation during a vacation period. Moreover, support provided by the University,

whether by the Research Foundation or by other resources of the University for research leading to the patentable concept shall not be construed as expenses related to the invention. Nor shall research support awarded by the University for projects which use the patented process or product be construed as an expense related to the invention, and therefore deductible from the gross royalties.

(1) When the invention was conceived by one inventor, his share shall ordinarily be 20% and the University's share, 80%. Circumstances, at the time of the initial agreement or later, may warrant consideration of a larger share for the inventor.

(2) If more than one person is credited with an invention, they may share in the net proceeds up to a maximum of 50%, but no individual will ordinarily receive more than 20% of the net proceeds.

4. The agreement recommended in Item 2, b should be reviewed five years after the patent issue date, or at any time that the inventor petitions for such
-62- a review. Such review is intended to re-evaluate the conditions of the agreement, with the specific intention of increasing the share of the net royalty available to the inventor(s). This provision for review shall apply even though the sole inventor, or one or more members of a group of inventors of a single invention, should leave the employ of the University. In the event of death of the sole or joint inventor after the agreement is reached, the share agreed upon shall be paid to his heirs through the life of the patent. Renegotiation of the terms of the agreement may be initiated by the heirs of the deceased or their designated legal agent, independently or in concert with co-inventors, with whom agreement had previously been reached, whether or not employed by the University.

5. Modifications of the original invention shall each be the basis for separate agreement, subject to the provision cited above, if the modification is patentable. However, the original agreement is understood to apply not only to the patent issued by the U.S. Patent Office but to foreign patents as well.

6. Mr. Nielsen reported that the Budget and Finance Committee recommended Board approval of the following statement of policy:

POLICY ON ASSIGNMENT OF PATENT RIGHTS

The University shall assign patent rights to agencies of the federal government, private foundations, private industrial corporations or other agencies which support research projects or programs at the University in its various locations, provided that an agreement is reached through which the University will receive royalties appropriate to the nature of the invention and the purposes of the grantor.

Additionally, assignment of patent rights to an employee or student may be made upon the recommendation of the Patent Advisory Committee and the Research Council with the provision that such student or employee agree to return to the University net proceeds from the commercialized invention in an amount agreeable to the University and the employee.

Authority for negotiation and execution of such agreements is delegated to the President or his designee to the extent permitted by University regulations and state or federal statutes.

Acting on Mr. Nielsen's motion, seconded by Mrs. Kronholm, THE BOARD VOTED to approve the above policy effective as of this date.

THE UNIVERSITY OF GEORGIA STATEMENT OF POLICY GOVERNING THE DISPOSITION, OWNERSHIP AND EXPLOITATION OF INVENTIONS AND/ OR DISCOVERIES

I. INTRODUCTION

The University of Georgia, hereinafter referred to as the University, is a state-supported institution devoted to teaching, research, service and other scholarly activities in the public interest.

The University faculty, staff, and students employed by the University, as part of their normal scholarly activities, carry on research and other activities which may be supported in part, or in whole, by the University from its own resources or by grants or contracts with outside sponsors. It is the purpose of this document to define and establish the respective rights and obligations of the University and its faculty, staff, and University-employed students to any inventions and/ or discoveries resulting from research or other activities conducted by any of them.

II. OBJECTIVES

Among the principal objectives of the guiding principles set forth herein are:

1) to provide greater incentive to creative intellectual effort by faculty, staff, and others associated with the University;

2) to establish principles for determining the rights of the University, inventor, and sponsor with relation to inventions and/or discoveries;

3) to provide machinery by which the significance of inventions and/ or discoveries may be determined and brought to the point of commercial exploitation;

4) to provide the mechanism for placing in the public realm the results of research, while safeguarding the interests of the University, inventor, and sponsor; and

5) to recognize the right of an inventor to realize tangible benefits from his invention and/or discovery.

III. GENERAL PRINCIPLES

Faculty, staff, and University-employed students, who during their association with the University, discover and/or invent a device, product, or method, *whether or not* on University time and/or with utilization of the physical facilities of the University, shall cooperate with the University in defining the rights to any inventions and/or discoveries which result in consequence of their research activities by promptly providing the Office of the Vice President for Research with a report describing the circumstances under which the invention and/or discovery was conceived and/or reduced to practice, with particular attention to (a) naming the sponsor, if any, of the project or program, (b) stating whether the invention and/or discovery is within the inventor's normal area of activities and responsibilities at the University, and (c) indicating the extent to which equipment or physical facilities provided by the University were employed in the work which led to the invention and/or discovery. The University of Georgia Outline for Report of Inventions, or another outline as may be required by a Federal funding agency, shall be used as a guide in the preparation of such reports.

IV. RIGHTS AND OBLIGATIONS OF THE UNIVERSITY, FACULTY, STAFF, AND STUDENTS EMPLOYED BY THE UNIVERSITY

It is the policy of the University, with reference to all creative work of faculty, staff, and University-employed students, to recognize the interests of all parties involved, to provide the mechanism for making a proper and equitable distribution of benefits, and to assist inventors in benefiting from their creative efforts. The respective rights and obligations of the University, faculty, staff, and University-employed students in the following situations are as stated:

CATEGORY I.

(a) Inventions and/ or discoveries which result from research or other work conducted by faculty, staff, or University-employed students, wholly on their time and outside their normal field of activities and/ or employment responsibilities and at their expense and without use of University facilities.

Inventions and/or discoveries resulting from research or other work conducted wholly at the expense of the individual, on the individual's own time, without use of the University facilities, equipment, or materials, outside the individual's

normal field of activities and/or employment responsibilities, are the property of the individual and the University undertakes no responsibility with respect to such inventions. It shall be the responsibility of the inventor to demonstrate that this criterion holds. In all such cases the University will release the invention to the inventor to dispose of as the inventor sees fit.

(b) Inventions and/or discoveries which result from research or other work conducted by faculty, staff, or University-employed students, wholly on their own time and outside their normal field of activities and/or employment responsibilities and at their expense but with some use of University facilities.

Inventions and/or discoveries resulting from research or other work wholly at the expense of the individual, on the individual's own time, outside the individual's normal field of activities and/or employment responsibilities but involving some use of University facilities, equipment, or materials, are the property of the individual and may be patented and/or commercialized by the individual at the individual's own expense, except that a nominal percentage of gross returns to the inventor shall be remitted, in recognition of the use of University facilities, to the University of Georgia Research Fund as provided hereinafter.

However, at the option of the inventor or inventors *and* the University, inventions and/or discoveries of either of the above sub-categories may be handled in the same manner as those in Category 4 below. That is, they may be submitted through the University to a competent agency, firm or foundation with which the University has a patents evaluation and exploitation agreement for evaluation as to patentability, commercial merit, and interest in filing for patent application. Once an invention or discovery has been submitted under a University patent assistance agreement, the inventor(s) may not reconsider and file for patents or commercialize the invention/discovery directly until it is rejected by the patent assistance agency, firm or foundation involved. The absence of a report from an agency, firm, or foundation within 180 days of such submission shall constitute rejection. In the event such inventions and/or discoveries are accepted for patenting and commercialization, the inventor or inventors shall assign rights thereto as required for such patenting and commercialization, and division of income therefrom shall be as if the invention or discovery were in Category 4 below.

CATEGORY 2.

Inventions and/or discoveries which result from research or other work conducted by faculty, staff, or University employed students which has been financed wholly or in part by government funds.

The University is obligated to report to the appropriate Government agency all inventions and/or discoveries which have been derived from research or other activity which has had any financial support from the Government of the United States, for definition of the Government's rights and interests. The definition may result in:

(a) the Government acquiring and reserving to itself principal and exclusive rights, in which event any exploitation of the invention and/or discovery rests wholly with the Government, or

(b) the Government determining that the public interest requires that the invention and/or discovery be disclosed in the open literature. In this case, no patent action can be taken, or

(c) a release of the invention and/or discovery to the University (either through special petition or under an Institutional Agreement between the Federal agency and the University), if it is determined that it is in an area in which public interest does not require that the Government reserve to itself principal and exclusive rights. In this event, the University may handle the invention and/or discovery in either of the following ways:

(1) act to obtain a patent in the same manner as for those in Category 4 below; that is, through a competent agency, firm or foundation with which the University has an inventions evaluation and exploitation agreement. The Government retains rights to a royalty-

free, non-exclusive, irrevocable license throughout the world under any patent which may be issued on such inventions to use these inventions for Government purposes, and any rights to these inventions granted by the University are subject to this reservation. Or,

(2) on the advice of or rejection of the invention by a competent agency, firm or foundation, or on the advice of or rejection of the invention by the University Patent Committee, or both, take no further action. In this case no additional patent action can be taken (unless the Government or the University reconsiders and does so).

CATEGORY 3.

Inventions and/ or discoveries which result from research or other work conducted by faculty, staff, or University-employed students, which has been financed wholly or partially by industrial, philanthropic or other organizations, or by indivduals, under contracts or written agreements.

Rights with respect to inventions and/or discoveries in this category which are governed by the terms of such contracts or agreements (the principal investigator is responsible for informing his co-workers of their rights under such contracts or agreements before initiation of the research) shall be handled in accordance with such terms. If the University so chooses, inventions in this category which are not required to be assigned by contractual terms shall be processed or disposed of in the same manner as those in Category 4 below.

It is recognized that the receipt of grant and contract funds for the purpose of conducting research and other activities is of primary importance to the faculty, staff, University, and the public. Therefore, assurance of rights to inventions and/or discoveries which may result therefrom shall not assume such importance as to jeopardize the receipt of grant or contract funds in any case. However, it is further recognized that reputable firms and organizations which have not adopted a policy of prohibiting the commercialization of inventions under the patent system are almost always willing to agree to an equitable arrangement regarding inventions and/or discoveries which may be related to research or other activities they have sponsored. When the question of inventions and/or discoveries arises, all faculty, staff, and University-employed students are obligated to negotiate, with assistance from the Office of the Vice President for Research as is necessary, proper provisions relating to them into such contracts or agreements.

CATEGORY 4.

Inventions and/ or discoveries which result from research or other work conducted by faculty, staff or University-employed students, which has been financed wholly or partially by the University, whether through time of the inventor(s) or through the direct and/ or significant use of University facilities, equipment, or materials or any combination thereof. If the University so chooses, inventions and/or discoveries in this category must be submitted through the University and assigned to a competent agency, firm, or foundation with which the University has an invention evaluation and exploitation agreement, if such agency, firm, or foundation accepts same for patenting and/or commercialization.

The University is deemed to have contributed time of the inventor(s) in cases where an invention is made within or partially within an inventor's normal field of activities or employment responsibilities.

V. DIVISION OF INCOME

1. All income derived from inventions and/or discoveries which fall into Category 1(a) of Section IV above which belong to the inventor(s) and which the inventor(s) and/or the University elects not to submit to a patent assistance agency, firm, or foundation under a University patent assistance agreement shall belong solely to the inventor(s).

2. All inventions and/or discoveries which fall into Category 1(b) of Section IV above and which the inventor(s) and/or the University elects not to submit to a patent assistance agency, firm, or foundation under a University patent assistance agreement shall be patented and/or commercialized, if at all, under a simple agreement between the University and the inventor(s) which shall provide for periodic reports of sales subject to royalties and for payment into the University of Georgia Research Fund ten percent of gross earnings to the

inventor(s) as royalties on the invention. The Patent Committee may recommend to the President that the contribution of the aforementioned ten percent of gross earnings to the Fund be waived or reduced if it seems evident to it that University facilities were used to such a slight extent that a ten percent contribution might be considered exorbitant.

3. All inventions and/or discoveries which fall into Category 2(c) of Section IV above which are submitted to one or more competent agencies, firms, or foundations, with which the University has a patents evaluation and exploitation agreement, and, accepted by such organization for patenting and/or commercialization. shall be assigned thereto. Any income realized from such inventions and/or discoveries shall be paid to the inventor(s) and the University in accordance with terms of the patent assistance agreement involved. Only those agencies, firms, or foundations which meet the requirements of the Federal granting agency involved will be considered, and then only when the patent assistance agreement provides assurance that the University can meet its obligations to the Federal Government in regard to the invention or discovery.

4. At the option of the University, all inventions and/or discoveries which fall into Category 3, and are not governed by an existing agreement, and all which fall into Category 4 of Section IV above shall be submitted to one or more competent agencies. firms or foundations with which the University has a patents evaluation and exploitation agreement and, if accepted by such organization, assigned thereto. Any income realized from such inventions and/or discoveries shall be paid to the inventor(s) and the University in accordance with the terms of the patent assistance agreement involved.

5. All University patent assistance agreements shall be with competent agencies, firms or foundations. Each such agreement shall provide for payment of royalties to the inventor(s) of a given invention amounts totalling not more than the amounts paid as royalties to the University on that invention. Further, each agreement shall provide that, in cases of inventions and/or discoveries which involve research or other activity which was funded by a Federal agency, no inventor shall receive royalties thereon in excess of the limitations set by the patent funding agency. The amounts of royalties retained by the patent assistance agencies, firms, or foundations in payment for their services shall be set by these agreements and shall be negotiated as favorably as possible to the inventors and the University.

VI. ADMINISTRATION

1. The administration of the principles and policies set forth in this document is the responsibility of the Vice President for Research, whose office shall do so with the utilization of a University Patent Committee. The Patent Committee shall normally consist of nine persons appointed by the President. The President shall also appoint a University Patent Officer, who shall be one of the nine members of the Patent Committee. Additional *ad hoc* members may be added by the Chairman at any time to consider a particular invention if their advice is needed. Five of the members appointed by the President shall constitute a quorum.

2. Routine cases where the inventor(s), the Patent Committee Chairman, and the Patent Officer agree as to classification and handling shall be automatically processed according to the principles and policies set forth in this document.

3. All cases in which questions arise as to equities, rights, division of royalties, choice of patent assistance agency/firm/foundation, or any other matter shall be referred to the Patent Committee for consideration, interpretation of policy and decision. Appeal of a Patent Committee decision shall be to the Vice President for Research, the Provost, and then to the President.

4. Changes to these principles and policies shall be with the recommendation of the Patent Committee, approval of the Vice President for Research and Provost, and adoption by the President.

5. All patent assistance agreements made by the University shall be with the recommendation of the Patent Committee.

6. No invention or discovery by persons not in the employ of the University

shall be submitted through the University to an agency, firm, or foundation with which the University may have a patent assistance agreement for analysis and/or administration under that agreement.

7. A Research Fund shall be maintained by the University. In it shall be deposited all monies received by the University from financially profitable inventions and/or discoveries made by its faculty, staff, or University-employed students. When the Research Fund reaches such a size as to make it desirable to do so, a committee to consist of five persons appointed by the Vice President for Research shall be created to consider and recommend grants of money in support of research on the campus, the creation of research fellowships, and for other purposes, all to be financed from this fund.

VII. OTHER PROVISIONS

1. If the Patent Committee reports adversely or if the University receives two adverse reports on an invention or discovery from patent assistance agencies, firms, or foundations on any invention or discovery which:

   (a) must be submitted through the University to a patent assistance firm under the conditions of these principles and policies and,

   (b) is not subject to Federal or other granting or contracting agreements,

   or if the inventor(s) receives no report on such an invention within 180 days of the date the report of invention was received by the Office of the Vice President for Research, the invention shall be released to the inventor(s) who shall be free to handle it as if it were a Category 1(b) invention not being handled through the University as defined and stated herein above.

2. Whenever the University determines that it has no proprietary interest in an invention and/or discovery, or whenever the University releases an invention and/or discovery to an inventor without consideration, the inventor shall agree not to use the University, or the University's name, in the exploitation of such an invention and/or discovery.

3. The principles and policies set forth in this document assume that no faculty, staff or University-employed student will perform consulting using University facilities, equipment, or materials in any way. When consulting is done in conformance with University policy, the University shall have no interest in nor take any responsibility for inventions and/or discoveries arising therefrom, *whether or not* such inventions and/or discoveries are related to the inventor's field of activities and employment responsibilities at the University.

4. Royalties and/or other returns allotted to the inventors of inventions and/or discoveries involving co-inventorship or multiple inventorship shall be divided equally among the inventors unless a written request to provide for some other division is signed by all the inventors involved and filed in the Office of the Vice President for Research 30 days prior to the first payment of such royalties and/or returns.

5. Upon adoption of these principles and policies, the University shall require as a condition of employment a brief written agreement from each newly employed person, whether faculty, staff, or student, which requires recognition and adherence thereto.

RECOMMENDED BY THE UNIVERSITY PATENT COMMITTEE:

William O. Burke, Chairman
July 2, 1974

APPROVED:

Charles H. Douglas, Patent Officer
July 2, 1974

Robert C. Anderson, Vice President for Research
July 2, 1974

S. W. Pelletier, Provost
July 2, 1974

ADOPTED:

Fred C. Davison, President
July 8, 1974

THE UNIVERSITY OF GEORGIA COPYRIGHT POLICY

INTRODUCTION

The purpose of this policy is to clarify the respective rights of The University of Georgia and its employees with regard to copyrights.

Copyrightable material includes the following:

1. Books, journal articles, texts, glossaries, bibliographies, study guides, laboratory manuals, syllabi, tests, and proposals.
2. Lectures, musical or dramatic compositions, and unpublished scripts.
3. Films, film strips, charts, transparencies, and other visual aids.
4. Video and audio tapes and cassettes.
5. Live video or audio broadcasts.
6. Programmed instruction materials.
7. Computer programs.

I. DETERMINATION OF RIGHTS AND EQUITIES IN COPYRIGHTABLE MATERIALS

Copyright considerations obtain in the following four instances: (1) individual efforts, (2) University-assisted individual efforts, (3) University-assigned efforts, and (4) sponsor-supported efforts.

1. INDIVIDUAL EFFORTS.
   Copyrightable materials produced by employees of the University shall be the exclusive property of the employees if there is no significant use of University personnel or facilities (libraries excluded) and the materials are not prepared in accordance with the terms of a contract or grant or as a specific assignment. A faculty member's general obligation to produce scholarly and creative works does not constitute a specific assignment.
2. UNIVERSITY-ASSISTED INDIVIDUAL EFFORTS.
   Copyrightable materials produced by employees of the University shall be copyrighted by the employee and the University as co-authors if there is significant use of University personnel or facilities (libraries excluded) and the materials are not prepared in accordance with the terms of a contract or grant or as a specific assignment. Division of income from royalties and other use shall be agreed upon by employees and appropriate administrative personnel in accordance with policies of the Copyright Committee in advance of the use of University personnel or facilities.
3. UNIVERSITY-ASSIGNED EFFORTS.
   Copyrightable materials produced by employees of the University shall be copyrighted by the University if the University has paid the employees for the writing or production of the specific materials.
4. SPONSOR-SUPPORTED EFFORTS.
   Rights to copyrightable materials developed as a result of work supported partially or fully by an outside agency through a contract or grant shall be disposed of in accordance with the terms of the contract or grant.

II. ADMINISTRATIVE PROCEDURES

The administration of the principles and policies set forth herein shall be the responsibility of the Vice President for Research, whose office shall do so with the utilization of the University Copyright Committee.

1. The standing Copyright Committee shall consist of nine persons appointed by the President for three-year staggered terms. Additional *ad hoc* members may be added by the Chairman at any time to consider a particular case if their advice is needed. Five of the members appointed by the President shall constitute a quorum.
2. Routine cases where the author(s) and the Copyright Committee Chairman agree as to classification and handling shall be processed automatically according to the principles and polices set forth herein.
3. The copyright committee shall recommend to the President or his designee the rights and equities in copyrightable materials in all cases in which questions arise.
4. Changes to these principles and policies shall be with the recommendation of the Copyright Committee, approval of the Vice President for Research and adoption by the President.
5. The President shall disclose annually to the Copyright Committee a record of unrestricted income from copyrights.
6. The Vice President for Research shall be responsible for, and that office shall be active in, providing advice and assistance in copyright and related matters to the faculty and staff. Those responsible for carrying out programs which may generate copyrightable materials with full or significant support by the Uni-

versity or a sponsor shall clarify with the Office of the Vice President for Research in advance any questions with respect to rights, disposition, and income distribution.

7. It shall be the responsibility of each producer of University-assigned and sponsor-supported copyrightable materials to consider the desirability of copyrighting and to recommend appropriate action to assure further consideration of copyright when it is desirable. In addition, it shall be the responsibility of each Dean, Director, and Department Head to consider the possible desirability of copyrighting as programs are initiated, reviewed, and/or renewed and to take appropriate action.

Adopted: July 26, 1976

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PATENT POLICY OF THE UNIVERSITY OF PENNSYLVANIA

The Trustees have declared it to be the policy of the University of Pennsylvania that any invention or discovery which may result from work carried out on University time or at University expense by special grants or otherwise is the property of the University. Patents on such inventions or discoveries may be applied for in any country by the University in which case the inventor shall assign his interest in the patent application to the University. The University will exercise its ownership of such patent, with or without profit, with due regard for the public interest as well as the interests of all persons concerned. Procedures for implementation of this policy shall be developed and promulgated by the President of the University

January 1966

PROCEDURES FOR IMPLEMENTING THE PATENT POLICY OF THE UNIVERSITY OF PENNSYLVANIA

Revised October 1973

In stating the patent policy of the University of Pennsylvania the Trustees have made use of the expression "the public interest." In implementing the announced policy this expression is interpreted to include (1) the stimulation of support of basic and applied research, (2) the stimulation of investment to develop inventions or discoveries to the point where they become generally available to the public, and (3) the stimulation of prompt disclosure of scientific information. Except where otherwise stated, the patent policy and these procedures apply to all members of the staff of the Universtiy whether fully or partially affiliated.

Inventions or discoveries made by staff members resulting from work not carried out on University time nor at University expense are the property of the inventor. If any questions arise as to whether University time or expense were involved the inventor shall report the facts to the Director of Research Administration who shall recommend to the Vice Provost for Graduate Studies and Research whether the University has any rights and, if so, whether they shall be waived.

SECTION I

Unsponsored or Departmental Research

1. If a staff member believes he has made an invention or discovery that may be patentable he shall discuss the matter with the Director of Research Administration. The latter will recommend to the Vice Provost for Graduate Studies and Research whether or not the University shall file a patent application.

2. If a decision is made to make application for a patent the following alternatives must be considered:

   a. A disclosure of the invention or discovery may be submitted by the Director of Research Administration to a non-profit patent management organization (PMO) selected for its evaluation and advice. If in the opinion of that organization it would be desirable to make application for a patent, the staff member shall assign his rights in the invention to the University, which will in turn make arrangements for an application to be filed with the assistance of the PMO. If a patent issues, the PMO will make arrangements for exploitation of the patent through the granting of licenses to commercial firms.

      Royalties or other income received from a patent managed by a PMO will be shared among the inventor, the University and the PMO subject to the terms of the agreement between the University and the PMO. The inventor shall receive an equitable share of the royalties as agreed between the inventor and the Director of Research Administration. In the event the inventor and the Director of Research Administration fail to agree as to what that share shall be, the matter shall be submitted to the Vice Provost for Graduate Studies and Research, whose decision shall be final.

   b. If it would appear more advantageous, arrangements may be made directly with a commercial firm or firms to provide that a license will be issued upon agreement to pay all costs associated with the patent including any costs that might arise in connecetion with its defense. Such a license will provide for an appropriate royalty to the University of which a portion will, where appropriate, be paid to the inventor or inventors. Where an exclusive license has been issued the University will retain the right, after consultation with the licensee to issue additional licenses if it is necessary to protect or promote the public interest In the event of disagreement the parties will submit to arbitration and be bound by the results of such arbitration. One arbitrator shall be appointed by each party to the dispute and these two will, in turn, name a third. All costs in connection with the arbitration proceedings will be borne equally by the two parties. It shall also be a condition of such a license that the University may use the invention or discovery for its own educational and scientific purposes without payment of royalty or any other charge.

3. If the University is not interested in assuming the costs of the patent as outlined above, the inventor may apply in his own name and at his own expense. Under these circumstances the inventor shall grant to the University a royalty-free, irrevocable, non-exclusive license to make or use the invention for its own purposes.

SECTION II

Government Sponsored Research

1. In general the policies and procedures with respect to inventions or discoveries resulting from work on government sponsored projects are determined by the clauses relating to such matters in the contract or grant agreement. Where any option exists the University will in every case ask that all patent rights remain with it and that a non-exclusive license be issued to the Government.

2. Where rights do remain with the University it will administer them in accordance with Section I to the extent consistent with the scope of the retained rights.

SECTION III

Non-Governmental Sponsored Research

1. The agreement with the sponsor may provide that if inventions result from the research efforts a license will be issued upon the sponsor's paying all costs associated with the patent including any cost that might arise in connection with its defense. The agreement may provide that a royalty will be paid.

2. If desired by the sponsor, an exclusive license may be issued in accordance with Section I.2.b above.

3. Where special circumstances exist and with the approval of the President of the University, the patent may be assigned to the sponsor.

SECTION IV

Research Sponsored by Both Governmental and Non-Governmental Organizations

1. To the extent that it is not inconsistent with the provisions of the contract or grant agreement with the Government, patent rights arising out of such research shall be administered in accordance with Section III.

SECTION V

Fellowships and Student Research

1. A dissertation submitted as a part of the requirements for a degree is the property of the University and any patent rights arising therefrom shall be governed by the Patent Policy of the University of Pennsylvania.

2. An invention or discovery resulting from research carried out in University laboratories as a part of a post doctoral or other non-degree program is the property of the University and any patent rights arising therefror shall be governed by the Patent Policy of the University of Pennsylvani

3. Students engaged in sponsored research may be required to sign such agreements with respect to inventions or discoveries arising from such research as may be appropriate to permit the University to fulfill its obligations to the sponsor.

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SECTION VI

Outside Employment or Consulting Arrangements

1. In order to protect both the University and members of the staff against possible conflict between the obligations of members of the teaching and research staffs under the Patent Policy of the University of Pennsylvania, on the one hand, and obligations assumed in connection with outside employment of any nature, including arrangements for services as a consultant, on the other; the following procedure should be followed by fully affilitated members of the teaching and research staffs before entering into any agreement with respect to outside employment which provides for or comtemplates the grant of any patent rights arising out of such employment to the outside employer:

   a. The staff member will advise his Dean or Director in writing of the nature of the employment and the extent of the patent rights to be granted and request approval.

   b. The Dean or Director will promptly notify the Vice Provost for Graduate Studies and Research of the request.

   c. Unless the Vice Provost for Graduate Studies and Research notifies the staff member to the contrary within one month from the date the the request was submitted, the University shall be deemed to have waived its rights to any invention or discovery made during the course of the outside employment described in the request to the extent necessary to give effect to the grant of the patent rights therein described.

2. The foregoing requirements are in addition to, and do not eliminate the necessity for, any approval which may be required by University or departmental regulations for acceptance of outside employment generally, whether or not the grant of patent rights is involved.

SECTION VIII

Publication and Commercially Sponsored Research

1. A major function of a university is that of advancement and spread of knowledge. Any practice, therefore, that would unnecessarily restrict the publication of results of scientific work is to be avoided. However, it is recognized that the development of useful inventions or discoveries is frequently dependent upon the issuance of patents that will permit their commercial exploitation. Accordingly, it is believed that under certain circumstances the publication of results of scientific effort sponsored by a commercial organization should be delayed for the minimum period required for the preparation and filing of patent applications.

   If a sponsor has supported a research investigation and if the agreement with the sponsor provides that he shall have an exclusive license in accordance with Section I.2.b. above, the practice with respect to publication shall be as follows: First, it must be agreed by the sponsor that the results of the research may be published if desired by the investigators or research workers. Second, in order that patent applications might not be jeopardized, the University will agree that any proposed publication will be submitted to the sponsor with the notice of intent to submit for publication. If within a period of two months from the date of such notice the sponsor fails to request a delay, the investigator shall be free to proceed immediately with the publication. However, if the sponsor notifies the University that a delay is desired, the submission of the manuscript to the publisher shall be withheld for the period requested, but is no event shall the period of delay be longer than twelve months from the date of the notice of intent to submit for publication mentioned above. Such a period will permit the sponsor to have the necessary patent applications prepared and filed but will not unduly restrict the dissemination of scientific knowledge.

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UNIVERSITY OF

SOUTHERN CALIFORNIA

EMPLOYEE PATENT AGREEMENT

USC Patent Policy: Certain inventions which may be made by employees in the course of duty or with the use of University facilities should be patented in order to protect the University and the public. These patents are assigned to the University and all costs involved in obtaining the patents borne by the University or its nominee.

Inventions and discoveries made by an employee on his own time and without the aid of University facilities are the sole property of the inventor.

The University Patent Policy is attached for your information and is incorporated and made a part of this agreement.

PATENT AGREEMENT

WHEREAS, the University of Southern California, a California corporation (herein referred to as "the University"), has certain responsibilities to see that inventions made at the University be administered for the best interests of the public, and in such a way as to avoid any criticism of the University;

THEREFORE, by this agreement, executed by me and accepted by the University, I hereby promise and agree as follows:

I will notify the University (or any individual, corporation or governmental agency which the University may specify) promptly of any invention which I believe to be patentable and which is made in the course of my duties at the University, or with the use of University facilities. At the request of the University or its nominee, I will assign to the University or its nominee all patent rights I may have to any such invention in the United States and foreign countries. I will supply all information and execute all papers necessary for the purpose of prosecuting patent applications on such inventions. Expenses for such patent applications shall be borne entirely by the University or its nominee. I understand that the University reserves the right to abandon the prosecution of any patent applications. Furthermore, I will disclose promptly and fully to the Universith all matters, whether patentable or not, that I may solely, or jointly with others, develop wholly or partly in the course of any work in which I may engage covered by any contract between the University and others (including the United States government). If called upon, I will execute all documents and supply all information which the University or its nominee deems necessary or desirable in order to perform its patent obligations under any such contract.

It is understood as a part of this agreement that if the University receives revenue from patents on inventions assigned to it by me pursuant to this agreement in excess of administrative costs I shall share in these funds at least to the degree afforded by the established and announced procedure of the University in force at the date of this agreement.

The foregoing agreement is made in consideration of my employment by the University, and for other valuable consideration.

It is further understood that the foregoing agreement is part of the terms of my employment, and any contract of employment heretofore or herafter entered into between me and the University shall be deemed to include the foregoing agreement except to the extent that an express provision of such contract of employment is inconsistent therewith.

It is further understood that performance on my part of the foregoing agreement is one of the purposes for which I am employed and that such agreement will be taken into consideration and relied upon by the University in making decisions as to the assignment of work to me.

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It is further understood that the University may and will rely upon the foregoing agreement in making contracts with others in which the University may undertake obligations with respect to discoveries made by its employees.

AGREED:	ACCEPTED:
NAME: _____	NAME: _____
SIGNATURE: _____	TITLE: _____
EMPLOYEE # _____	UNIVERSITY OF SOUTHERN CALIFORNI
DATED: _____	DATED _____ 19____

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PATENT POLICY AT THE

UNIVERSITY OF SOUTHERN CALIFORNIA

The University of Southern California is a teaching and research institution. Although invention is not a major duty of any of those engaged in research at the University, there are many unforeseen by-products of research. One of these is the discovery of useful procedures, techniques, and instruments that may be patented.

During the past twenty-five years there has been an unprecedented increase in scientific and technological research at institutions of higher learning. With this increase in research activity has come the need for University policies with respect to inventions.

A satisfactory university patent policy must be fair, it must be consistent, and it must be in accordance with the over-all educational objectives of the University. This patent policy of the University of Southern California has been endorsed by the Faculty Senate and the Council of Deans and is included in the current Faculty Handbook. The policy is applied on a University-wide basis, and all employees of the University accept it as a condition of employment. Basically the policy provides that every University employee agrees to promptly notify the University of any invention which the employee believes to be patentable and which is made in the course of his duties at the University, or with the use of University facilities. The employee agrees to assign any and all patents which he may seek or obtain during such employment to the University or its assignee(s) or to the sponsoring agency as required under agreements governing the research. In addition, all employees agree to execute such documents of assignment at the time the patent application is forward to the U.S. Patent Office and subsequently to do everything that may be reasonably required to assist all assignees to obtain, protect, and maintain patent rights. -75-

In consideration of the above-mentioned invention assignment, the University acknowledges and agrees that an equity in such invention remains with the employee inventor. The extent of this equity will be determined by an ad hoc committee appointed in the following manner:

The Vice-President of Academic Administration and Research shall appoint such an ad hoc committee at the request of the inventor, or at the request of the University patent committee, or on his own initiative. Such a committee shall consist of the inventor, or his representative, a representative of the President, and a third member from the faculty mutually agreed upon by the other two members. Determination of an inventor's equity and share of any income derived from royalties shall be made at the time the University is notified that the invention is patentable.

In general, the University desires to share at least 50% of the net income derived from an invention with the inventor(s). Since many circumstances surround the development of inventions by University employees, the exact division of income in each case is best determined by the AD HOC committee. It should be noted that many government sponsors limit royalty income to an employee inventor to as little as 15% of gross income.

PATENT DEVELOPMENT

In order to guarantee the greatest possible utilization of any patentable process, instrument, or technique developed at the University of Southern California, the University has entered into a variety of arrangements for the development of patents. All these arrangements are designed for the mutual benefit of the employee, the University, and other interested parties.

The University's oldest patent-processing agreement is with Research Corporation of New York City, a nation-wide, independent, non-profit foundation that acts as a patent-management agency. Research Corporation has patent-development agreements with more than 100 educational institutions and maintains a portfolio of over 500 patents and patent applications in all fields of science and technology. The Corporation evaluates inventions submitted to it and prepares patent applications on those that promote the general welfare or have revenue-producing possibilities. Any income derived from such patents is divided between the University and the Corporation according to mutually accepted arrangements.

THE PATENT COMMITTEE

All University patent policy questions are referred to the University Patent Committee, which reviews such questions and makes recommendations to the Vice-President, Academic Administration and Research and the Vice-President, Financial and Legal Affairs. The committee consists of seven members who are appointed and serve at the pleasure of the President.

All patent matters referred to the committee are considered promptly, and decisions are rendered at the earliest possible time, but no later than one year after report of the invention to the University. In general, the committee will recommend one of the following procedures to the President:

1. That patent action be instituted by the University at its own expense or in the alternative transmittal of the idea or invention to Research Corporation or other patent development organization under provisions of agreements between the University of Southern California and these organizations

and/or

2. Transmittal of the idea or invention to the sponsoring agency as may be required under the terms of the agreement governing the research

or

3. Return of the idea or invention to the persons from whom it has been received with the written opinion that it does not warrant further patent action by the University and that the inventor is released from further responsibility to the University with respect to that particular invention.

WHY PATENT?

Patents are valuable to a university and to its staff members. Patents, along with publication in scientific journals, establish dates of scientific contributions. They can and do serve to control the quality of products manufactured by licensees. They may be a substantial source of income.

At the University of Southern California income derived from patents is used to advance the research activities of the unit of the University responsible for the development of the patented invention. The revenues derived from any patent are discretionary and may be allocated by the Board of Trustees upon recommendation of the President.

When any staff member believes that he has conceived a possible invention he should prepare a Disclosure of it as soon as possible. The Disclosure is a formal, binding document used to describe the invention and to establish legally the name of the inventor(s) and the date of first conception. Included as part of the Disclosure are drawings, sketches, and other pertinent data to show the principle of the invention's operation and performance. The inventor(s) should sign and date each page of the Disclosure and all sketches and data sheets. -77-
USC Disclosure forms are available at the office of the Secretary or Chairman of the Patent Committee.

To qualify as a legal document, the Disclosure must be signed by at least two witnesses. The witnesses must sign and date each sketch and each page of the Disclosure. If possible, a working model of the invention should be prepared and tested before witnesses.

Since priority of conception date is often the deciding factor in awarding a patent, it is most important that the invention be declared as early as possible with the earliest conception date verified by witnesses. Therefore, the inventor should consult promptly with his administrative superior or with the Secretary of the Patent Committee.

In the event that a patent is to be sought on a new material, device, or process, the inventor should promptly seek the advice of the Patent Committee before taking any steps to publish or declare publicly his discovery. Any publication describing an unpatented material, device, or process may make it impossible to secure a valid patent and thereby reduces any benefit that may accrue to the inventor and the University from the development of a new procedure, technique, or instrument.

PATENT POLICY
FOR
THE UNIVERSITY OF VIRGINIA

Policy

The policy of the University of Virginia is to consider and, where appropriate, assist in the patenting and commercial development of any discovery or invention which is the product of University research. Any person who may be engaged in University research shall be required to execute a patent agreement with the University in which the rights and obligations of both parties are defined.

This policy is intended to:

1) provide an incentive to creative intellectual effort and the advancement of knowledge for the welfare of mankind;

2) insure that the respective interests of the researcher (as faculty or staff member or student), the University, any supporting sponsor, and society are considered and protected through the development of fair contracts and procedures;

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3) assist the researcher and the University to realize tangible benefits from inventions or discoveries; and

4) advance and encourage further research within the University with whatever funds accrue to the University from inventions resulting from University research.

Definition of University Research and Researcher

For the purposes of this Patent Policy and any documents developed for its implementation, University research is defined as research and related activities by any person a) which are related in any way to duties or responsibilities for which he has been compensated either by or through the University or b) for which facilities owned, operated, or controlled by the University are used.

Products of research eligible for copyright protection are excluded from this definition.

Modification of this definition of University research may be effected by the terms of a contract between the University and another public or private agency or, in exceptional circumstances, in the patent agreement with an individual University researcher.

A researcher is any person who may be engaged in University research.

Administrative Responsibilities

1. Associate Provost for Research

Responsibility for the administration of the University of Virginia Patent Policy is assigned to the Associate Provost for Research.

The Associate Provost for Research shall

1) develop standards and procedures appropriate for the implementation of this policy;

2) obtain, maintain, and insure compliance with signed patent agreements 1) between the University and each researcher and 2) between the researcher and a sponsor agency as required by the terms of a grant or contract;

3) judge whether an invention or discovery is the product of University research;

4) determine whether an invention or discovery which is the product of University research is patentable;

5) determine whether the University should claim equity in the patenting of an invention or discovery which is the product of University research, or whether all rights should be waived in favor of the inventor. In the latter case, the inventor should be informed in writing by the Associate Provost for Research that the University relinquishes all claims to the invention or discovery;

6) investigate possible courses of action for the patenting and/or marketing of an invention or discovery in which the University has an equity;

7) after soliciting the review and comments of the appropriate academic dean on (3), (4), (5) and (6), investigate and select alternative plans for implementation of the chosen course of action for the patenting and/or marketing of an invention or discovery in which the University has an equity;

8) with the approval of the President or the Vice President for Business and Finance, sign any formal agreement between the University and an outside agency which may be required in executing the course of action in (7);

9) be responsible, with appropriate support from the Office of Sponsored Programs, for preparing all reports for inventions, discoveries, and patents which are the product of University research;

10) maintain a file for each disclosure which will contain complete records of all actions;

11) prepare an annual report for the University Research Policy Council.

All actions shall be taken and decisions made within a reasonable time so that an inventor's options are not compromised unfairly.

2. The Office of Sponsored Programs

In implementing the Patent Policy, the Office of Sponsored Programs shall

1) inform the Office of the Associate Provost for Research and principal investigator of all requirements regarding patents in any grant or contract accepted by the University of Virginia;

2) with the aid of the principal investigator and in conjunction with the Office of the Associate Provost for Research, provide all invention reports and other pertinent information regarding patents as required by the terms of a grant, contract, or agreement.

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3. The University Patent Committee

A Patent Committee, appointed by the President from recommendations by the University Research Policy Council, will consist of at least five members, including representation from the Schools of Engineering, Arts and Sciences, Medicine, Law and Graduate Business. The University Patent Committee shall

1) review and recommend to the University Research Policy Council for approval the standards and procedures and any amendments thereto developed by the Associate Provost for Research for the implementation of the Patent Policy;

2) when agreement among the parties cannot be reached, serve as a board to which the researcher may appeal decisions of the Associate Provost for Research, subject to appropriate review standards and procedures, and make subsequent recommendations to the University Research Policy Council;

3) consult with the Associate Provost for Research when requested.

4. The University Research Policy Council

The University Research Policy Council shall

1) recommend to the President appointments to the University Patent Committee;

2) approve the standards and procedures and any amendment thereto developed by the Associate Provost for Research for the implementation of the Patent Policy;

3) conduct an annual review of the patent program with the Associate Provost for Research;

4) administer the special fund which shall be established for any royalties accruing to the University as a result of the implementation of this policy;

5) where the actions of the Associate Provost for Research are appealed to the University Patent Committee, review the recommendations of the University Patent Committee and instruct the Associate Provost for Research on appropriate subsequent action.

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Distribution of Royalties to the Inventor(s)

In general, the inventor(s) will receive from any product of University research fifteen percent of the gross royalties which accrue from inventions for which the University obtains and holds patent.

An institutional agreement between the University and an outside patent management firm, such as Research Corporation, or between the University and a Federal agency, such as the National Institutes of Health, will specify a distribution of royalties.

Individual grants or contracts for sponsored University research with public or private agencies may specify an assignment of patent(s) ownership and distribution of royalties of which the researcher shall be informed before research is conducted under such an award or contract.

Inventions and Discoveries which are not the Result of University Research

The University normally will relinquish any claim to an invention or discovery which is judged by the Associate Provost for Research not to be the product of University research. However, in such cases the researcher may request that the invention

or discovery be appraised by and, if appropriate, assigned to the University. In such cases, the terms of the agreement will be determined by the inventor and the University.

Approved by the Rector and Visitors of the University of Virginia on April 6, 1973 and amended on May 28, 1976.

PATENT POLICY
for
THE UNIVERSITY OF VIRGINIA:
Implementing Guidelines

Purpose

These Guidelines are intended to contribute to the effective implementation of the "Patent Policy for the University of Virginia," as approved by the Board of Visitors on 6 April 1973, by defining relevant rights and obligations of the Inventor and the University, as represented primarily by the Associate Provost for Research.

Responsibilities of the Inventor and the University

Responsibility for timely and responsible disclosure of potentially patentable inventions and discoveries rests with the Inventor. Disclosure forms are available in the Office of the Associate Provost for Research. Guidance is available from the Associate Provost for Research on responsible steps which should be taken to protect the interests of the Inventor and the University.

The Associate Provost for Research will provide the inventor a timely response to the following:

1. Is the invention or discovery the product of University research as defined in the "Patent Policy for the University of Virginia"? If the determination is negative, formal notification will be given to the Inventor of the absence of any vested interest of the University in the invention or discovery. The notification will be initiated, prepared and signed by the Associate Provost for Research.

2. Is patenting of the invention or discovery feasible? If the invention or discovery is the product of University research, the Associate Provost for Research shall judge whether the invention or discovery possesses the requisite patentable properties of novelty, utility, and nonobviousness. Where considerable uncertainty exists, the Associate Provost for Research will make a reasonable effort to secure the opinion of qualified persons within and outside the University. The Inventor will be informed of the basis of the judgment of the Associate Provost for Research about the feasibility of patenting.

3. Does patenting of a patentable invention or discovery appear desirable? Where patenting of an invention or discovery appears feasible, the Associate Provost for Research will judge the advisability and timing of filing after careful consideration of factors such as the breadth and criticality of patent claims which can be made, identity of potential licensees, and size and timeliness of commercial prospects.

An answer to the first question will normally be expected within 30 days after the submittal of a fully executed disclosure to the Associate Provost for Research by the inventor.

If the Associate Provost for Research determines that an invention is the result of University research, he will make every reasonable effort to provide responsible answers to questions 2 and 3 within 90 days from the notification of the inventor by the Associate Provost for Research that the invention is the result of University research.

Where the response to each of the above three questions is positive, the Inventor will execute a formal assignment of patent rights to the University or her assignee, e.g. Research Corporation. If patenting appears timely, the Associate Provost for Research shall, within 30 days of such execution and -84- with the knowledge of the Inventor, initiate steps to patent the invention or discovery. Such steps may consist of, but are not limited to, submitting the properly executed disclosure to Research Corporation, or consulting with an independent patent advisor or potential licensee.

The Inventor will cooperate in the patenting and licensing of the invention or discovery, whether requested by the University, the licensee(s), or an agent or assignee of the University, e.g. Research Corporation.

If, after the initial steps have been taken, no further current action is judged desirable by the Associate Provost for Research, the Inventor may formally request the right to pursue on his own the patenting of his invention or discovery.

A proposed agreement will be prepared by the Inventor and the Associate Provost for Research for the review of the University Research Policy Council, which shall arbitrate any disputes that may arise about the terms included. On approval by the Council and with the approval of the President or the Vice President for Business and Finance, the Associate Provost for Research shall sign the agreement on behalf of the University.

Appeal of Actions by the Associate Provost for Research

Provision is made for appeal to the University Research Policy Council by the Inventor of actions by the Associate Provost for Research. Grounds for appeal are alleged failure of the Associate Provost for Research to fulfill the Patent Policy for the University of Virginia, follow these implementing guidelines, or demonstrate due diligence to avoid compromise of the Inventor's equity in his invention or discovery. On the grounds that they are without support in fact and are unreasonable, the Inventor may also appeal the decisions of the Associate Provost for Research in response to the questions about the product of University research, feasibility of patenting and desirability of patenting.

The Inventor shall submit his appeal to the Chairman of the University Patent Committee, who shall satisfy himself that the Inventor has made a reasonable effort to resolve his complaint with the Associate Provost for Research and the substance of appeal is arguably proper.

Proceedings shall be informal but all parties shall have adequate notice and an opportunity to be heard.

After hearing all relevant testimony the University Patent Committee shall decide whether the Inventor's grievance is valid and will recommend to the University Research Policy Council the most desirable corrective action(s) to be taken. -85-

The University Research Policy Council will review the recommendations of the University Patent Committee and instruct the Associate Provost for Research on appropriate subsequent action.

Approved by the University Research Policy Council on June 6, 1973, first amended on March 5, 1974 and again on May 28, 1976.

WASHINGTON UNIVERSITY
POLICY ON PATENTS AND PROPRIETARY RIGHTS

A. Policy

The primary purposes of the University are to teach, to expand knowledge through scholarly studies and research, and to disseminate the results of such studies and research. Incident to these primary activities there may arise from time to time inventive concepts and discoveries relating to new and useful compositions, devices, processes and know-how of a patentable or marketable nature.

In these instances it is the policy of the University to encourage and assist inventors, through prudent actions not in conflict with its primary purposes, to make such discoveries readily available to the public through the established channels of commerce. Any share of income accruing to the University as a result of these activities will be used to support its primary educational and research programs.

B. Ownership and Sponsored Research

Except where specific agreements provide otherwise, ownership rights to inventions rest with inventors, subject to shoprights for the University where such inventions arise from activities undertaken with funds or facilities administered by the University. However, in securing sponsorship of research projects the University may, with the consent of principal investigators and with assurance that the public interest will be served thereby, enter into agreements where, as a consideration for such support, the University accepts the sponsor's specific procedures, terms and conditions governing the disposition of inventions.

Since under the University's policy, rights to inventions would normally rest with individual inventors, persons to be employed on sponsored projects may be required to enter into agreements to assign inventions thereunder to the University for its management or disposition in conformance with the sponsor's policy.

C. Invention Management Program

The establishment of ownership rights underlies the ability to effectively bring discoveries to the public in that they facilitate:

> Attraction of the private capital needed to develop discoveries into usable products and to manufacture, promote and distribute them
>
> Selection of capable and reliable firms
>
> Ethical commercialization of the discoveries.

The University shall maintain an invention management program under which it will seek to establish ownership rights in inventions and to manage or arrange for the management of such rights in the best interests of the public, the inventor and the University.

All inventions arising from sponsored research, assignment of which by agreement must be made to the University, in addition to donated inventions and such other inventions in which the University may secure rights, shall be managed under the aforementioned program.

Frequently individual inventors, desiring to acknowledge the opportunities and support provided to them through their association with the University and seeking relief from the burden of promoting and managing inventions, bring their inventions to the University. In such cases, the services of the University's invention management program shall be available to all members of the University community on a voluntary and mutually agreeable basis.

With respect to inventions accepted under the University's invention management program the University will, at no expense to the inventor, make reasonable efforts to evaluate the interest of others in commercializing the invention, seek licenses and options for licenses, have applications for patent filed and prosecuted, and otherwise manage the invention or arrange for its management by recognized patent management organizations.

Any income derived from an invention that is accepted under the University's management program on a voluntary and mutually agreeable basis, shall be shared with the inventor, unless he desires that the University retain the proceeds. In order that initial royalty payments will not be completely consumed by management expenses, no more than one half of any royalty payment (gross income) received by the University will be deducted to recover the costs of managing the invention. Of the net income remaining a maximum of 50% will be paid to the inventor (or co-inventors as a group) and the balance will be used to support the educational and research programs of the University. However, if prior agreements with sponsoring agencies specify a different sharing arrangement applicable to the specific project under which the invention occurred, then that sharing arrangement shall govern.

The University will evaluate potential commercial use of an invention prior to the filing of application for patent rights. Options to license and other contractural arrangements appropriate in the circumstances will normally be sought as early as possible as a validation of potential commercial use. Should the University's evaluation indicate that neither commercial possibilities nor the potential contribution to the public good of an invention warrants proceeding further, the invention will be returned to the inventor, unless such action is precluded by prior agreement with sponsors.

In licensing, sale or otherwise disposing of rights to inventions, the University will seek protection for the public against repressive practices, excessive prices and unethical exploitation.

D. Administrative Responsibility

The patent management program shall be administered and directed by the Vice Chancellor for Research assisted by a Patent Coordinator.

A Patent Advisory Committee, appointed by the Executive Vice Chancellor, shall render advice to the Vice Chancellor for Research relative to:

Needs for modification of the University's patent policy or procedures for implementing that policy.

Determinations of co-inventor status and the equitable distribution of ownership rights among co-inventors.

Resolution of conflict of the interests of the public, the inventor and/or the University stemming from an invention.

Recommendations on the distribution of the University's share of income among the schools and programs of the University.

Such other matters as may be appropriate and the Executive Vice Chancellor or the Vice Chancellor for Research may request.

Approved by the Executive Committee
of the Board of Trustees of
Washington University on
April 20, 1971

Patents at Colleges and Universities

THE AREA OF PATENT LAW and its practice is one of the most complex of legal specialties, generally requiring both a technical and legal background in addition to a proficiency in patent law. Nevertheless, a level of understanding sufficient to handle patentable discoveries in the proper manner can readily be established at any institution, regardless of size. The possession of this understanding can allow the dissemination of important and valuable research findings by publication, by patenting, or by both, in a manner that is likely to produce the greatest benefit for the institution, the discoverer, and the public.

Institutions establish patent policies for a variety of reasons, usually to achieve one or more of the following objectives:

1. To facilitate the transfer of technology and the utilization of findings of scientific research in order to provide maximum benefit to the public therefrom.

2. To encourage research, scholarship, and a spirit of inquiry, thereby generating new knowledge.

3. To provide machinery by which the significance of discoveries may be determined so that the commercially meritorious may be brought to the point of public utilization.

4. To assist in an equitable disposition of interests in inventions among the inventor, the institution, and, when applicable, a sponsor.

5. To provide individual incentives to inventors in the form of personal development, professional recognition, and financial compensation.

6. To assist in the fulfillment of the terms of research grants and contracts.

7. To safeguard the intellectual property represented by worthwhile inventions so that it may receive adequate patent protection.

8. To facilitate the development of institutional patent agreements with the federal government.

DEALING WITH PATENTABLE DISCOVERIES

In order to deal with discoveries that may have patentable significance, the following should be present in an institution: first, a documented patent policy approved by the governing board, which defines the rights and obligations of the institution, the inventor, and, when applicable, a sponsor. Second, an institution requires a focal point of adequate patent understanding that will serve as collection point and conduit for discovered information on its way to the Patent Office and to becoming a development activity.

The third requirement is the capability to carry forward the development of a discovery until it results in a usable commodity for which the institution can obtain a financial return. This may be accomplished by an in-house patent management group, by an institution-affiliated foundation, or by arrangements with invention management agencies. None of these three requirements need be costly to set up or expensive to maintain.

Need for Patent Knowledge

Since the early sixties there has been an increasing emphasis on applied research output, a demand that educational institutions be "more relevant to society." Where discoveries in the scientific and technological areas are concerned, this raises the question, "How can your discoveries be used?" The federal government, by its funding policies, has reinforced the need for the educational community to examine the "relevancy" of its research. Research proposals directed at investigating topics

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with implicit use in the solving of immediate problems are more likely to be funded than those aimed at basic research generating information that is not presently usable. Technical discoveries from such "relevant" research are more often found to be patentable than are discoveries from basic research. Thus, if an institution accepts federal research support, it is likely to be involved with decisions relating to patents.

The President's Patent Policy Statement of August 23, 1971, the liberalization of some government patent waiver policies, and the use by several agencies of institutional patent agreements indicate that the educational community may become more and more involved in patent determinations. Thus, provisions of the institutional patent policy should be developed to recognize, as far as possible, any current federal requirements or guidelines on the subject. A sound policy can facilitate the release of title rights by the government and be the basis for implementing an institutional patent agreement with federal agencies.

The guidelines in this document are intended to assist administrators in determining the level of activity best suited to the invention and patent needs of their institutions. Inventions as assets may not represent a readily available source of funds that can be applied to solve acute financial problems. However, each institution should, without excessive cost, acquire the capability of bringing to public use any commercially valuable discovery made in its laboratories.

Nature and Scope of Patents

A patent is a property right granted by a sovereign nation, which gives the holder the exclusive right to control the manufacture, use, and sale of an invention for a period of years. As property it may be sold or assigned, pledged, mortgaged, leased (licensed), willed or donated, and be the subject of contracts and agreements. Control may be accomplished by exercising the exclusive rights referred to above or by permitting others to exercise such rights under the terms of a license. The United States patent system is implicitly authorized by the Constitution in the provision that, "Congress shall have the power . . . to promote the progress of science and the useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." Legislation implementing the Constitutional provision is found in Title 35 of the U.S. Code.

Each country has its own requirements on patenting, including standards for what is patentable, formalities for establishing a patent, the effective date and duration of the patent grant, requirements relating to the use of a patent, and annual taxes to maintain it in force. Under United States standards of patentability, all patent applications are examined for *novelty, utility* and *nonobviousness,* and it is the applicant's responsibility to establish these elements to the satisfaction of the Patent Office before the patent is allowed to issue.

Patentable *novelty* and commercial novelty are not necessarily synonymous. A device may lack novelty as far as the Patent Office is concerned and yet be received by the public as a "new" item. The requirement for *utility* appears self-explanatory. In regard to the third requirement, the invention must be *nonobvious* at the time of invention to a person having ordinary skill in the art to which it pertains.

The duration of all U.S. patents is 17 years from the date of issue and they are not renewable. In contrast to the practice in most foreign countries, there is currently no annual tax levied by the United States government to maintain a patent in force, nor are there any current legislative requirements that the teachings of a patent be a commercial reality within a given period of time, under penalty of compulsory licensing or forfeiture.

It is the responsibility of a patent holder (the patentee) rather than the government (the patentor) to police the use of the patent and either to bring infringing parties under a license or to prosecute them for infringement. If the patentee intends to keep the patent in force, he or she is obliged to defend the validity of the patent if it is attacked. The patent granted by the U.S. Patent Office is only prima facie evidence of the exclusive right it purports to establish. The presumption of validity that attaches to a patent may be

subsequently rebutted and invalidated in a federal court proceeding by third parties formally charged with infringement if they present satisfactory proof that the patent should not have been issued.

The 1952 Patent Act sets forth those classes of patent matter that are eligible for patenting. That statute provides that any inventor who "invents or discovers a new or useful *process, machine, manufacture,* or *composition-of-matter,* or any *new and useful improvement thereof,* may obtain a patent therefor, subject to the conditions and requirements of the law." The law also allows the patenting of new varieties of *asexually produced plants* other than tuber-propagated plants or plants found in an uncultivated state. These six categories plus patents for designs compose a complete list of subjects that the law deems to be patentable. Design patents, which relate to the ornamental appearance of useful articles, are seldom encountered in an educational setting.

Some subjects that cannot be patented because they are outside the scope of patents are:

1. Theories.
2. Ideas.
3. Plans of action.
4. Results.
5. Methods of doing business.
6. Discoveries of laws of nature or scientific principles.
7. Things immoral or injurious to health and the good of society.
8. Works eligible for protection under the copyright laws.

Patents and Publication

Patents and publication are closely related. A patent is a form of publication, which describes an invention to the world at large in return for a limited period during which others can be excluded from using the invention. However, care must be taken in disclosing an invention, such as by publication in a scientific or technical journal, in order to avoid placing the invention in the public domain and thus losing the right to obtain a patent.

In the United States a patent may be obtained if a patent application is filed within one year after the invention is disclosed through publication or commercial use. In many foreign countries a patent cannot be obtained if there has been any disclosure of the invention to the public prior to the filing of a patent application. However, under an international convention, a patent application in the United States generally will preserve for one year the right to file patent applications abroad even though there has been publication of the invention subsequent to the U.S. patent application but before foreign patent application is filed.

ELEMENTS OF AN INSTITUTIONAL PATENT POLICY

An institution seeking to establish or clarify its position regarding rights to and disposition of patentable inventions should develop a statement of patent policy. The statement should be broad enough to encompass all foreseeable patent situations, yet specific enough to allow administration of the policy without frequent recourse to policy deliberations by an advisory committee. The statement should briefly define the administrative structure for processing a patentable discovery and it should be directly and succinctly presented for clear understanding by lay persons in the field. The basic purpose of a patent policy is to define the rights and obligations of both the inventor and the institution as regards patent matters. To the extent that policies on consulting deal with patents, it is advisable to take them into account when formulating a patent policy.

Some institutional patent policies are incorporated into patent manuals that provide the reader with a brief orientation on patent matters. These publications can be helpful to neophyte inventors, but they should be prepared such that the institutional policy is clearly distinguishable from general instructional materials.

The following topics typically are found in institutional patent policies:

1. Preamble.
2. Applicability of the policy.
3. Establishment of the inventor commitment.
4. Rights of the parties.
5. Income-sharing arrangement.
6. Administrative arrangements.

Preamble. Although optional, this section is recommended. It should relate the basic purposes of the institution, its obligations to the public, and the scholarly aims of its faculty to the institution's interest in patents and ways in which patents serve these ends. The preamble should be kept short and to the point and establish a sound foundation for what is to follow.

Applicability of the Policy. This section defines research situations, sources of funds, all categories of persons who may invent (that is, faculty, staff, and student), activities in which such persons are engaged, and any combinations of these elements that would bring an inventor into the scope of, or exempt him or her from, provisions of the policy. Educational institutions do not usually lay claim to all inventive concepts generated by their employees or students. Rather, they limit themselves to those that arise as a result of employment relationships or use by the researcher of institution resources, facilities, or information.

Establishment of the Inventor Commitment. Once an institution determines the criteria for applying the policy to individuals, its personnel may be required to dispose of inventions as determined by the institution in one of several ways (listed in generally decreasing order of enforceability):

1. By a formal inventor agreement—a legally enforceable contractual commitment by a person to dispose of inventions as determined by the institution. The agreement becomes a standard form for the institution and should be drafted by an attorney to insure its enforceability. It is best executed by the individual when he or she assumes employment.

2. By a state statute which stipulates that inventions made in state institutions or by state employees be disposed of in a predetermined manner.

3. By a person giving his or her written assent to the stated patent policies of the institution, which policies pronounce an obligation by the individual with respect to inventions.

4. By a stated patent policy containing a patent commitment which is established by the governing board and brought to the attention of individuals, but to which such persons are not required to give their personal formal assent.

5. By the presence of a policy allowing the individual to dispose of inventions as determined by the institution or to retain title, at his or her option.

To allow an institution conducting sponsored research to fulfill its contractual obligations, it is essential to have for every person engaged in such research a valid, binding commitment to assign inventions.

Rights of the Parties. The policy should specify the rights that the institution, the inventor, and sometimes outside sponsors have in the invention. The *institution* usually receives a valid, binding assignment of title to the patent application together with a commitment by the inventor to cooperate in executing legal documents, reviewing patent prosecution papers, and in some cases, assisting in the development or marketing of the patent. The *inventor* is entitled to receive from the institution a clear statement of his or her rights and share of income, and the institution's plans for bringing the invention into public use, including a contingency for reassignment to the inventor. *Sponsors'* interests in these situations are usually represented by the institution based on the terms of the research agreement. Sponsor equities in patents must be scrupulously observed by the institution to permit it to perform and maintain its contractual obligations.

Income-Sharing Arrangement. Educational institutions that accept assignment of patents from inventors customarily share royalty income with them. The inventor's share generally ranges from 15% to 50% of net income, although there are a few policies that authorize income outside these limits. Some institutions use sliding scales of income-sharing between these limits with a greater percentage going to the inventor from the early receipts and the rate of sharing declining as the amount of royalties increases.

Most royalty-sharing arrangements are predetermined, that is, the inventor cannot negotiate a higher rate of sharing than stipulated in the institutional policy. Predetermined sharing rates have the advantage that it is unnecessary to pass judgment on the relative worth of each invention. They are easier to administer and usually reward the inventor equitably because a valuable inven-

tion's true merit is reflected in the greater total royalty revenues it generates, a portion of which inures to the benefit of the inventor. Where several individuals collaborate on a patentable invention the inventor's income share is divided among them in portions agreeable among themselves (including co-developers who may not legally be inventors).

Administrative Arrangements Defined by Policy. Patent policies usually specify that patent activities be placed under the administrative cognizance of an institutional patent committee appointed by the governing board, the president, or the faculty senate with a majority of the individuals on the committee representing scientific or technical disciplines. It is not uncommon for a dean, a vice president, or even the president to serve as chairman. This committee often has the responsibility for recommending or establishing patent policy, adjudicating disputes, determining which inventions shall be the subject of patent applications, and overseeing the administration of patent matters within the institution.

ADMINISTRATION AND DEVELOPMENT OF INVENTIONS

The provisions of the institutional patent policy usually determine the make-up of the administrative organization for patents. Typically found at the top of the structure is the patent committee described above. The size of the administrative organization below this committee will vary, depending in part on the amount of research resulting in patents at the institution and on whether or not the institution assumes its own patent development and marketing responsibilities or delegates them to another organization.

Serving the committee as its operating arm on a part- or full-time basis is the institution's "focal point" on patents, an administrator usually drawn from the office of research administration, the legal department, or the business office. This administrator need not be a patent or general attorney but must have a thorough understanding of institutional patent policy and enough background in patent procedures and patent law to handle procedural and policy problems arising in the management of patents.

In a large operation, the patent administrator and any assistants may be a part of the institution's administrative group and often will work full time on patent-related matters. In a modest institutional patent operation, this individual may come from one of the basic science departments and spend only a few hours per month on duties related to patents. Regardless of the size of the patent operation, there should be at least one person who understands the essential requirements for handling patentable information (which is also perishable). This should insure that valuable property rights are not lost to the institution by premature disclosure, publication, or public use prior to filing a patent application or to releasing the invention to an affiliated patent development group.

Development and Marketing

The development and marketing of inventions typically occurs in one of three ways: in-house, by an institution-affiliated foundation, or by a patent management organization.

In-house. In this case, the institution controls and performs the invention evaluation that precedes the decision to patent, the filing of patent applications, the demonstration of the invention's feasibility, and the licensing (not necessarily in this order). This option is initially more costly, because it requires an early outlay for patent application costs and the overhead costs of patent administrative services. However, if sizable royalties are earned, this approach may be the most advantageous overall.

Institution-affiliated foundation. This option can have the advantages of better availability of funds to carry on the development of inventions (a speculative activity) and greater freedom to employ commercial methods to develop and promote the uses of the inventions. Assuming equal capabilities to develop inventions, the presence of a foundation may result in less income for the institution because of the foundation's expectation of sharing income. Both the in-house management and the institution-affiliated foundation management of patents allow the inventor to work closely with the unit that is promoting the invention. The inventor's ready assistance and background often are crucial to getting the invention covered by a

patent and "off the ground" as a commercial success.

A patent management organization. Patent development and marketing by one of these organizations has some distinct advantages: it permits an institution to be active in patents with a minimum financial outlay and it allows considerable legal, marketing, and patent management expertise to be tapped at no immediate cost to the institution. The chief disadvantage in this arrangement is, of course, that a substantial portion of any royalties earned is shared with the patent management group as compensation for services. Also, because of the large number of inventions handled by organizations of this type and the geographical limitations involved, it is possible that this arrangement will diminish the valuable personal input of the inventor in development and marketing efforts.

These three routes of invention development need not be mutually exclusive for an entire patent program. Many institutions utilize more than one, depending on the type of invention reported and the location of the various capabilities needed to develop it.

It is advisable for an institution involved with patents to have available the services of a patent attorney to answer questions, interpret the law, prepare, file and prosecute patent applications as the need arises, and serve as a representative during patent-related negotiations. Because of the diversity of complex patent subject matter generated in colleges and universities, it is desirable that the attorney be affiliated with a firm that includes individuals with a wide variety of technical backgrounds. The American Patent Law Association can be of assistance in making a selection.

Patents in Sponsored Research

The patent policy of the institution may be an important consideration at the time a research proposal is submitted to a sponsoring agency. It is important for the faculty performing research to be aware of any agency patent policies that may conflict with the institution's patent policy. If this information is known in advance, the faculty member will be able to determine the institution's position with regard to the submission of proposals that are likely to produce patent policy conflicts. When there is a conflict it may be possible to negotiate the differences, thereby assuring the availability of research funds. If the faculty is made fully aware of the situation, the chances are improved that they will support the administration's efforts to negotiate acceptable arrangements.

When the funding agency has an institutionally acceptable patent policy, there is normally no problem in accepting funding because the usual terms and conditions of the granting document will have been approved in advance. However, due to changes that take place in government regulations, contracts, and granting documents, knowledgeable people in the office of research administration should monitor the incoming grants and contracts to insure that no changes have been made in the patent (as well as other) requirements. If there are changes, the office responsible for patent matters should be alerted to interpret these alterations with regard to the institution's own policy and, if necessary, assist research administrators in preparing the necessary arguments to the funding agency to effect a modification of the terms of the contract.

Federal grants and contracts usually contain a provision on invention reporting. These requirements stipulate that the contractor make periodic reports of inventions made by researchers, including the timely submission of invention disclosures and a final report at the termination of the contract. Where it is determined that an invention has occurred as a result of or during the course of sponsored research, it is the duty of the office responsible for patents to obtain a complete and properly prepared disclosure from the investigator and to insure that it is properly filed with the contracting officer in order that the grant or contract can be closed without undue delay.

Institutional Patent Agreements

DHEW and NSF regulations provide for the negotiation of Institutional Patent Agreements (IPAs) which provide the grantee a first option to retain principal rights in and to administer inventions made in the course of or under research grants and awards from these agencies. The grantee has the right under the IPA to elect to file patent applications in the United States and in

foreign countries on any subject invention and to administer such invention pursuant to the provisions of the agreement.

In early 1978 the Federal Procurement Regulations were amended by the General Services Administration to provide for use of IPAs in contracts with educational institutions. Federal agencies are encouraged to use an IPA when negotiating contracts with universities. The agreement prescribed for use in the February 2, 1978 *Federal Register* provides flexibility and permits changes as required by applicable agency statute or by special administrative needs (see references).

PATENT LICENSING

A license is the legal right to use the patented invention of another. It may be established by contract or implied from the conduct or legal position of the parties. This document is concerned only with those licenses established by contract. Licensing is the primary method by which a patented invention developed in an educational institution is put into public use (see references). Some important points concerning licensing are:

1. The degree of the licensee's motivation to employ the invention in a commercially successful way and the licensee's capabilities for development, manufacture, and marketing are of primary importance.

2. A license agreement must be a valid and legally enforceable document which precisely defines the rights being transferred and the obligations assumed.

3. To protect the public interest, exclusive licenses should generally be for a limited term. However, they should be of sufficient duration to enable a licensee to recoup unusual development and market penetration costs plus a sufficient additional return to bring forth the licensee's risk capital.

4. Royalty rates can be assessed on a variety of bases and can vary widely. In general, they are reasonably consistent for the same class of products.

5. Exclusive licenses should provide for cancellation in the event the licensee does not make adequate progress in development and marketing.

6. Licenses should provide that the licensee cannot use the name of the inventor or of the institution for sales or promotional purposes without prior approval.

7. In some cases an outright assignment of a patent for a consideration, lump sum or deferred, will be an attractive alternative to licensing.

TRANSFER OF TECHNOLOGY OUTSIDE THE PATENTING PROCESS

It is not uncommon for educational institutions to provide considerable public utilization of their scientific findings without the benefit of patents. Typically, this is accomplished by the publication in appropriate journals of small amounts of information which in themselves are not patentable but which in the aggregate are important contributions to the advancement of numerous technologies.

More complete concepts are often produced that may or may not be patentable and about which an institution is unsure of the commercial prospects. Institutions have a responsibility to the public, to themselves, and to individual developers to move these discoveries into public use. Some discoveries lend themselves to nonexclusive release, while others demand limited-term exclusive arrangements to bring forth the incentive of commercial organizations to commit their resources.

Where some exclusivity to unpatented technology is necessary, disclosure agreements may be employed by an institution and recipient organization to define the terms and conditions under which the information is released and under which the recipient evaluates the concept. Such agreements usually provide for the ultimate protection of the institutional patent position, if any, and for follow-on licenses or other contracts that specify conditions such as those under which the recipient organization may commercialize the discovery. Also provided for is the degree to which the recipient organization may be compensated therefor, the title to any patent that may be available, and other items. Institutions that are highly motivated to technology transfer or that have limited funding available for patent applications should consider this alternative.

The decision of whether to seek a patent application or use a disclosure agreement usually is

made when the invention is reviewed by the patent committee. Disclosure agreements are binding contracts between the two organizations. They must be carefully drawn and must precisely define the idea disclosed. Therefore, their preparation calls for expert assistance.

Invention Disclosures

An invention disclosure in this context is a complete description of an invention written by the inventor to report an invention to the institution or a sponsor. Along with the original laboratory notebooks and records it is one of the most important documents in an institutional patent program. The invention disclosure is based on the information contained in laboratory notebooks. (See Appendix B, "Guidelines for Keeping Laboratory Records.")

It is customary for the office responsible for patents to provide a disclosure form or set of guidelines for preparing disclosures. Whichever is used, completeness is more important than format. The invention disclosure should be couched in good technical language rather than in legalistic style. If the invention becomes the basis for a patent application, a patent attorney can put it in language that is acceptable to the Patent Office.

The invention disclosure is valuable in several ways. Writing the disclosure helps the inventor to mentally clarify the inventive concept and, if the concept has not yet been reduced to practice, to better organize his or her thoughts concerning it. A good disclosure is essential for the technical evaluation of the invention, for an accurate assessment of its commercial feasibility, and for a determination of its patentability. In the latter case, the disclosure is often used as the descriptive information supplied to the Patent Office for making the novelty search. Its clarity and completeness strongly affect the quality of the patent search.

The invention disclosure may later be used as the basis for the preparation of the patent application. Well-prepared disclosures readily transmit the patentable idea to the patent attorney and assist in preparing an application that precisely describes the invention. The less attorney time required for this, the lower the cost to the institution. Finally, when witnessed laboratory records bearing earlier dates are not available, the invention disclosure can serve as proof of the date of conception, or at least of the earliest recording of the invention. It thus may be an important document in any controversy over which of two parties first made the invention.

Disclosures of inventions are required under the terms of federal research agreements and must be sufficiently complete and of a quality that will allow the supporting agency to evaluate and prepare a patent application in the event that the contract terms entitle it to do so. A complete and accurate invention disclosure is extremely important to patent management organizations because they are usually not located in close proximity to the inventor. These organizations must, therefore, rely heavily on the inventor's written description to assess the worth of the invention and to determine any interest in accepting it and in carrying it forward to patenting and commercial development. (A typical set of instructions for preparing invention disclosures appears as Appendix C.)

Administrative Service supplements document principles, policies, practices and procedures in the field of college and university management. They provide additional information about subject fields or offer specific guidance in regard to generally accepted principles and policies. Supplements are the result of a comprehensive review process modeled after that used for the basic chapters of the Service.

APPENDIX A: PATENTS AND COPYRIGHTS—A COMPARISON

	Patents	Copyrights
Coverage	Processes, machines, products of manufacturing, compositions of matter, plants, and improvements on the above, and designs.	Books, periodicals, lectures, dramatic or dramatico-musical compositions, musical compositions, maps, works of art, drawings or plastic works of a scientific or technical character, computer programs, photographs, pictorial illustrations, labels, motion pictures and video tapes, audio recording.
Essential criteria	Must be novel, have utility, and be nonobvious.	Need not be novel, only the original product of the creator.
When statutory rights established	Patent Office (usually about 19 When patent is granted by the months after application date).	The material mentioned above under "Coverage" is copyrighted from its creation. However, the copyright should be registered within three months following publication.
How statutory rights established	By filing a formal disclosure of the invention (with allowable appended claims) in the Patent Office together with the prescribed fee.	Rights are established by the creation of the work. Registration occurs when the prescribed number of copies are deposited in the Copyright Office, together with the prescribed fee and the appropriate application form.
Examination	Examined for essential criteria (see above).	Examined for essential criteria (see above).
Outside professional services	The services of a registered patent attorney should be obtained for filing and prosecution.	No outside services required. Registration may be accomplished by the author.
Cost	Patent Office fees ($235 average) plus attorney's fees may result in $1,000 to $2,000.	$10 plus cost of deposit copies.

	Patents	Copyrights
Term and Renewability	17 years, not renewable.	28 years for works copyrighted before January 1, 1978, renewable for a second period of 47 years. For works copyrighted on or after January 1, 1978, author's life plus 50 years. For works made for hire (such as for associations or institutions), for anonymous and for pseudonymous works, 75 years from publication or 100 years from creation, whichever is shorter.
Marking	Failure to place patent number on patented article does not invalidate the patent.	Failure to employ copyright notice on the original publication or an improper notice on the original publication may be corrected within a period of five years. If the correction is not made by then, the work falls into the public domain.
Who May Apply	Except in unusual circumstances, the inventor's signature must appear on the patent application.	Only the author or those deriving their rights through the author may copyright the work.

APPENDIX B: GUIDELINES FOR KEEPING LABORATORY RECORDS

1. Legibly enter in ink concurrent with your daily work a complete and accurate record of your research activities and sign and date each page.

2. Whenever possible, preface each series of pages with a brief heading of the most generic *nature* of the work performed (that is, statement of problem) rather than what you expect or hope will be the *results* achieved. Avoid gratuitous conclusions.

3. Similarly, when an experiment or run is completed and it represents the reduction to practice of only one or more species, include a paragraph setting forth still other species and parameters of variables stating the reasons you expect them to be effective in order to later provide a valid basis for a generic claim. This is conveniently included under a "Modifications and Extensions" heading and need not include complete data at that time.

4. Faithfully have your work corroborated by having your notebooks witnessed by dated signature of an associate (*not* a co-worker or one who collaborates in your research area and who could be or is a joint inventor). Notation of witness should appear after the last line of your experiment and not necessarily only at the bottom of every page. If necessary or desirable, explain in detail the work performed.

5. Prior to destroying any samples, run sheets, or records of any kind, check with the director to make certain they are of *no* value to any project member.

6. Clear *all* proposed publications (including abstracts) with the director in order to most fully protect and preserve property rights in research.

7. Record your observation of physical results even if not fully appreciated or understood at that time.

8. Utilize the last four to five pages for an index, as desired.

9. Start a new page for each new experiment and draw a continuous diagonal line through unused portions of pages remaining at the close of an experiment.

10. Avoid erasures but where necessary cross out with a single line.

APPENDIX C: GUIDELINES FOR PREPARING AN INVENTION DISCLOSURE

The following guidelines illustrate the preferred layout and content for invention disclosures. Completeness is very important in preparing the disclosure in order that it can serve as a basis for a worthwhile patent search and for preparing the patent application. To be complete, the disclosure should include all the pertinent experimental data available, both pro and con, which has a bearing on the inventive concept. (The data, if voluminous, may be attached as an appendix.) It is also important that the inventor have considered the various alternative ways of constructing (in the case of apparatus) or performing (in the case of a process) the invention. This is something a potential infringer would do, and having the alternative embodiments on hand permits the preparation of a patent application which is broad in scope. The inventor should, however, specify which embodiment is preferred.

The Disclosure

The disclosure should contain the following elements:

A. *A Title.* The ideal title is brief but comprehensive, technically accurate and descriptive.

B. *An Abstract of the Invention to Be Disclosed* (of about 100 words).

C. *Statement of the Background of the Invention.* The disclosure should state the field of art to which the invention pertains. The basis for this requirement is that an accurate description will permit a future patent application to be properly classified in the Patent Office, and therefore it is helpful if the inventor can accurately categorize the invention within the field of his or her endeavor.

D. *Description of the Prior Art.* A statement of the prior art known to the applicant should be set forth. This will include a description of the various

existing devices or processes and their shortcomings that are remedied by the present invention. If published material such as scientific papers, patents, or commercial literature relating to or describing the prior art is known to exist, it should be cited (or supplied, if available).

E. *Summary of the Invention.* In this section describe in detail:

1. How the invention is designed. Where alternative designs are available, describe these and select the preferred embodiment. To clarify, attach and refer to descriptive drawings, flow charts, circuit diagrams, etc.

2. Ranges of operating conditions, such as time, temperature, or pressure, where these are relevant to the invention. Preferably these should be in terms of broad ranges of conditions and narrower optimum or preferred ranges. Where materials may be varied, sufficient specific materials should be enumerated to illustrate the range of usable materials. A sufficient number of specific working examples should be set forth to illustrate the variations in conditions and materials.

3. How the invention operates to produce a result or results not achieved in the prior art.

4. The new concept that has been invented: describe succinctly.

5. All advantages such as efficiencies, cost benefits, etc. produced by these new results.

F. *Utility of the invention.* Indicate briefly and in general terms, particularly for chemical cases. Where the utility is evident from the earlier sections, this section may be omitted.

G. *Publication of the Invention.* List (and append, if possible) all publications in which the invention was described or occasions on which it was described orally to others; for example, at symposiums.

H. *All budget numbers used to defray any research costs that are invention-related.*

I. *Signatures, Witnesses, and Dating.* Each inventor should sign the disclosure before a witness who understands the invention. The witness should also sign. Each set of signatures (inventor and witness) should be dated.

References

1. Buckles, Robert A. *Ideas, Inventions and Patents.* New York: John Wiley & Sons, Inc., 1957.

2. Calvert, Robert. *The Encyclopedia of Patent Practice and Invention Management.* New York: Reinhold Publishing Corporation, 1964.

3. Davis, Albert S., Jr. *Practical Patent Licensing.* New York: Practising Law Institute, 1966 and 1969. Two vols.

4. *Federal Register,* Vol. 43, No. 23, Federal Procurement Regulations. "Patents, Data, and Copyrights." Feb. 2, 1978, pp. 4424-4428. Distributed by U.S. Government Printing Office.

5. Knowles, Asa S. *Handbook of College and University Administration,* Vol. 2. New York: McGraw-Hill Book Company, 1970. pp. 1-105 through 1-127.

6. Seidel, Arthur H. *What the General Practitioner Should Know about Patent Law and Practice.* Philadelphia: American Law Institute and American Bar Association, 1966.

7. U.S. Department of Commerce, Patent Office. *General Information Concerning Patents.* Washington, D.C.: Available from the Superintendent of Documents, U.S. Government Printing Office.

8. ———. *Patent Laws,* Washington, D.C.: Available from the Superintendent of Documents, U.S. Government Printing Office.

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Survey of Institutional Patent Policies and Patent Administration

THE FOLLOWING DOCUMENT is based on a survey taken by the Society of University Patent Administrators in 1977. Subjects of the survey were the patent policies of universities with employees who are members of the Society. As far as can be determined, this is the first such survey since the publication in 1962 by the National Academy of Sciences—National Research Council of *University Research and Patent Policies, Practices and Procedures.* The latter document is primarily a compilation of patent policies exactly as furnished by the institutions surveyed.

The 1977 survey was undertaken because of a growing interest in patents and the perception of a need for an up-to-date survey of patent policies which would be composed of carefully prepared questions and would provide analysis of the replies. The questionnaire used in this survey is based on one that was tested at six institutions and further refined before distribution. (A copy of the questionnaire is included as Appendix A; responding institutions are listed in Appendix B.)

Forty-eight major research institutions provided information for this document. The answers to the survey questions have been tabulated and the implications of these results are discussed. It will be noted that there is a wide variety of answers to certain questions, which is a result of the differences in institutional organization and practices. In some cases there are multiple answers to one question by the same institution. In questions involving titles, where many variations are possible, the answers have been grouped by titles that are considered to be equivalent. Where only one institution has responded in a particular way to a particular question, such answers generally have been grouped as "other."

Although a number of institutions that were surveyed did not reply (a few with large patent portfolios), the information provided and analyzed should be largely representative of the general community of research universities.

1. Name of institution (see Appendix B).

2. Who authorized the institution's patent policy?

(a) Trustees, regents, or equivalent	37
(b) President, chancellor, or equivalent	5
(c) Faculty	2
(d) Other (such as state law or state agency)	4
	48

Where an institution checked more than one answer, this has been interpreted to mean that more than one body acted on the policy. In such cases, only the highest-ranked body was counted.

3. What office administers the patent policy?

Research administration office	18
Vice president or dean of research	10
Research foundation	8

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Vice president for administration	3
Patent committee	3
Patent office	3
Other	3
	48

4. To whom is the office in (3) above responsible?

Vice president, vice chancellor, provost, or similar officer	24
President	12
Trustees	3
Director of foundation	3
Dean	3
Other	3
	48

5. Is there a patent committee?

Yes	34
No	14
	48

6. What is the composition of the patent committee?

Faculty and administration	23
Faculty only	7
Faculty, administration, and students	4
	34

Note that four institutions have patent committees that include students (presumably graduate students).

7. What are the functions of the patent committee?

Formulate patent policy	22
Determine royalty distributions	16
Make decisions on patenting inventions	26
Negotiate license arrangements	2
Other	5
	71

This question received multiple answers and all functions may not have been described. For example, some patent committees may be involved in arbitration (see 16 below) but this item was mentioned only once.

8. Does the patent policy cover:

(a) Faculty	47
(b) Professional staff	47
(c) Nonprofessional staff	43
(d) Graduate students employed by institution	46
(e) Graduate students not employed by institution	25
(f) Undergraduates employed by institution	42
(g) Undergraduates not employed by institution	21

Of the institutions responding, one had not yet adopted a patent policy, which accounts for the maximum number of 47 rather than 48. The significant decrease in coverage for both graduate and undergraduate students not employed by the institution probably relates to the fact that employment (and thus the payment of salary) is used in many cases as the basis for a university claim to equity in inventions, rather than the provisions of funds or facilities (see 15 below).

9. By which of the following does the institution control the disposition of patent rights (with the understanding that a sponsor may subsequently take control)?

(a) Taking title to inventions	36
(b) Directing or approving disposition by inventors	11
(c) The voluntary referral of an invention to the institution if there is no sponsor requirement	11
	58

Eight institutions checked *both* (a) and (b), which may mean that the policy is covered by (b), but that in some cases the inventor is required or elects to give title to the institution as provided for under (a). However, two of these eight institutions also checked (c), possibly an attempt to cover both inventions in which the institution has an equity and those in which it does not (see 15 below). The remaining nine institutions in category (c) constitute a large number in which the institution exercises no control at all (unless there is a sponsor requirement).

A policy as in (b) of directing or approving disposition by inventors provides much greater flexibility than that listed in (a). Under (b), title can be directed to the institution, to a patent management firm, or to the government or another sponsor without the necessity of title first going to the institution.

10. Does the institution enter into agreements with possible inventors (see 8 above) to establish patent rights? Complete only one response:

(a) For all possible inventors	16
(b) For all possible inventors who *participate* in sponsored research	8
(c) For all possible inventors who are employed	14
(d) For all possible inventors who are employed only in sponsored research	6
(e) No agreements with anyone	4
	48

The twenty-four institutions responding affirmatively to (a) or (b) are well covered insofar as the requirements of sponsored research, particularly government-sponsored research, are concerned. Institutions covered by (c) and (d) are not fully meeting the obligations of sponsored research, since these obligations extend to all persons who participate in or perform part of the work, not only those who are employed by and paid from a grant or contract. The four institutions responding affirmatively to (e) are not in compliance unless the terms of the applicable patent policy can be held to be as legally binding as an individual agreement.

For inventions that result from research which is not sponsored, the thirty institutions designating (a) or (c) are all fairly well covered, except that (c) would not apply, for example, to a graduate student who makes an invention but is not employed by the institution. Among the other seventeen respondents there is a gap that is partly explained by the eleven who responded to 9(c) above (in which referral of an invention to the university is entirely voluntary unless there are sponsored research requirements).

11. Does the institution use, or have its administrators considered using a single agreement to cover both patents and copyrights?

Yes	13
No	35
	48

12. Are one or more patent management firms used? If so, give names.

Yes	40
No	8
	48

Research Corporation was predominant, followed at a distance by Battelle, University Patents, Inc., and others.

13. If a decision is made in the institution (not by a patent management firm) to make a patent application, who makes the decision?

Patent committee	11
Research administration office	9
Associate provost, vice president, or dean for research	9
Research foundation	4
President	3
Vice president for business or finance	2
Patent office	2
Other (such as state, governing board, inventor)	5
No answer	3
	48

14. Does the institution's patent policy require reporting by those covered by the policy (see 8 above) of:

(a) All inventions, even if there is no institutional or sponsor equity	19
(b) All inventions on which patents are applied for, even though there is no institutional or sponsor equity	5
(c) All inventions where there is some institutional or sponsor equity	19
(d) Only those inventions that must be reported to a sponsor	5
	48

Institutions that are diligent in pursuing technology transfers and public use of their inventions probably fall into group (a).

15. What is the basis of the institution's claim for institutional equity in an invention? That is, what is the legal consideration for the institution to obtain rights?

(a) Payment of salary or stipend	29
(b) Provision of funds or facilities	34
(c) Other (such as patent services furnished to inventor or state legal requirements)	7
	70

Twenty-two institutions checked more than one of the answers. Twenty-one of these responded to both (a) and (b). There is a question as to whether the citation of salary or stipend as a consideration for patent rights is reasonable or even legally enforceable.[1] Faculty are not employed to develop patentable inventions, their salaries and promotions are not based on the value of inventions they may make, and where they have tenure, according to Blackwell, "the agreement by the college to continue to employ them would not, so far as they are concerned, constitute consideration."[2]

The provision of funds and facilities for research does not have the handicap of (a) above and can be used for both employed and non-employed inventors (such as students). Further, the institution would have no equity (unless the inventor would choose to handle it through the institution) in an invention whose conception or reduction to practice does not involve institutional funds or facilities.

16. Is arbitration or some other form of decision-making provided for in the event of a disagreement as to the institution's equity or rights in an invention?

Yes	27
No	21
	48

[1] See Blackwell, T. E. *College Law*. (Washington, D.C.: American Council on Education, 1961.) pp. 175-180, "The Administration of Faculty Patents."
[2] Ibid, p. 179.

The absence of arbitration provisions in twenty-one institutions is somewhat surprising.

17. Does the institution ever relinquish to the inventor its rights to an invention?

Yes	40
No	8
	48

If so, under what circumstances?

Miscellaneous answers included cases in which sponsor and institution chose not to patent.

18. Does the institution ever handle for inventors those inventions in which it has no equity?

Yes	22
No	26
	48

If "yes," what are the conditions?

Miscellaneous answers included paying more than normal royalties to the inventor.

19. If the institution retains patent rights for inventions, what share of royalties is paid to the inventor(s)? Net or gross?

Maximum possible	1
Net 80% scaled down to 25% as total royalty increases	2
Gross 50% plus first $3,000, then 25% to $13,000, then 15%	2
Net 60% 0-$25,000; 50% $25,000-$50,000; 40% $50,000-$75,000; 30% above $75,000	1
Net 50% plus first $1,000 of institution's net	1
Gross 15% plus 50% of additional net	1
Net 50%	6
Net 50% or gross 25%	1
Net 50% maximum, 20% minimum by arbitration	1
Net 50% after first $5,000 net	1
Net 50% until expenses, then 20% of gross	1
Net 42.5%	1
Net 40%	1

Net 40% 0-$50,000; 30% $50,000-$100,000; 15% above $100,000	2
Gross 15% until costs recovered, then 40% net	1
Net 33%	1
Gross 28%	1
Net 25%	5
Gross 20%	1
Gross 15%	9
Net 15%	4
Case by case	3
No answer	1
	48

Although the difference between gross and net royalties varies widely from patent to patent, the answers to this question are listed such that the amounts to inventors decrease in order of total royalties from top to bottom. The median answer is 33% of net royalty income for the inventor. Royalty shares to inventors appear to have increased significantly since the 1962 survey referred to at the beginning of this document. The method of giving the inventor a large initial share and decreasing on a sliding scale (indicated in five of the answers) has the merit of providing a climate of greater cooperation among researchers by reducing the potential rewards to the one researcher who is named the legal inventor.

20. What disposition is made of the institution's share of royalties?

Research	26
General institutional funds	10
Research and patent costs	6
Education and research	3
Patent costs	2
Other	1
	48

21. What steps, if any, are taken to insure that all inventions are properly disclosed?

None (although the patent policy may so require)	23
Regulations	11
Periodic reminders	8
Periodic meetings	5
Special educational program	4
Annual invention statement	3
Other	2
	56

Eight institutions used more than one method of obtaining invention disclosures. It is likely that a greater number used more than one method but did not indicate this.

22. Does the institution have any institutional patent agreements (IPAs) with federal agencies? If so, list the agencies.

Both HEW and NSF	10
HEW only	11
NSF only	3
	24

Note that more than half of the responding institutions have no IPAs.

23. In negotiating sponsored research agreements with industry, does the institution accept requirements for sponsor to obtain:

(a) Title to all inventions	27
(b) Exclusive license	26
(c) Exclusive license for limited period	26
(d) Exclusive license for limited period with march-in rights for lack of diligence	28
(e) Nonexclusive license	31
(f) Other	7
	145

Many institutions indicated more than one answer; three questions were the average number of these. The number of (a) and (b) answers could cause concern about the diligence of institutional endeavors for protection of the public interest. Where title to inventions is given to a sponsor as in (a), the inventor's normal share of royalties under a patent policy presumably disappears.

24. Under the arrangements described in (23) above, is there any provision for royalties or other reimbursement to the institution, such as increased indirect costs?

Royalties	21
Increased indirect costs	17

None	10
	48

As in 23(a) above, where the compensation to the institution for patent rights consists of increased indirect costs or is nonexistent, the inventor's share of royalties presumably disappears.

25. For inventions owned or controlled by the institution and not assigned to a patent management organization, which of the categories of (23) above best describe the institution's policies for assignment or licensing?

(a) Title to all inventions	3
(b) Exclusive license	11
(c) Exclusive license for limited period	8
(d) Exclusive license for limited period with march-in rights for lack of diligence	19
(e) Nonexclusive license	13
(f) Other	5
	59

Only eleven institutions indicated more than one answer. Note that many more of the responding institutions indicated willingness to give greater rights to a research sponsor (see 23 above) than to a licensee or assignee.

26. How many patents were applied for on the institution's inventions during the last ten years by:

(a) Inventor	165 (known)
(b) Institution	889
(c) Patent management organization	554
(d) Industrial sponsor	119
(e) Government sponsor	60 (known)
	1787

Although the number for any one institution varies from 1 to 150 for the total of categories (a) through (e) combined, the average is 37 per institution, or about 4 per year per institution. While this may not appear to be a large number, over a ten-year period the total of 1787 for all institutions is significant.

27. How many of the patents listed in (26) above were issued? 937

28. How many of the patents that were issued (see 27 above) were licensed? 469

These answers indicate a high ratio—fifty percent—of patents licensed to patents issued.

Appendix A: University Patent Policies and Patent Administration Questionnaire

1. Name of Institution

2. Who authorized your patent policy?
   a. Trustees or regents
   b. Faculty
   c. President or chancellor
   d. Other (please specify)

3. What office administers the patent policy?

4. To whom is that office responsible?

5. Is there a patent committee?

6. What is its composition?

7. What are the functions of the patent committee?

8. Does the patent policy cover:
   a. Faculty
   b. Professional staff
   c. Nonprofessional staff
   d. Graduate students employed by university
   e. Graduate students not employed by university
   f. Undergraduates employed by university
   g. Undergraduates not employed by university

9. Does your institution control the disposition of patent rights by either (it is understood that a sponsor may subsequently take control):

Taking title to inventions

Or directing or approving disposition by inventors

Or is the referral of an invention to the university voluntary if there is no sponsor requirement

10. Do you enter into agreements with possible inventors (see 8 above) to establish patent rights (complete only one response)
    a. For all possible inventors from 8 above (specify a, b, c, d . . . etc)
    b. For all possible inventors from 8 who *participate* in sponsored research (specify a, b, c . . . etc)
    c. For all possible inventors from 8 who are *employed* (specify a, b, c . . . etc)
    d. For all possible inventors from 8 who are employed *just* in sponsored research (specify a, b, c . . . etc)

11. Do you or have you considered using a single agreement to cover both patents and copyrights?

12. Is one or more patent management firm utilized and if so give names?

13. If the institution (not a patent management firm) decided to make a patent application, what office makes this decision?

14. Does your patent policy require reporting by those covered by the policy (see 8) of:
    a. *All* inventions made even though there is no institutional or sponsor equity, or
    b. All inventions made on which patents are applied for, even though there is no institutional or sponsor equity, or
    c. All inventions made where there is some institutional or sponsor equity, or
    d. Only those inventions made which must be reported to a sponsor

15. What is the basis of the institution's claim for institutional equity in an invention, i.e. what is the legal consideration for the university to obtain rights?
    a. Payment of salary or stipend
    b. Provision of funds or facilities
    c. Other

16. Is arbitration or some other form of decision-making provided for in the event of a disagreement as to the institution's equity or rights in an invention?

17. Does the institution ever relinquish its rights to an invention back to the inventor? If yes, under what circumstances?

18. Does the institution handle inventions for inventors in which it has no equity? If yes, what are the conditions?

19. If the institution retains patent rights for inventions, what share of royalties is paid to inventor(s)? Net or gross?

20. What disposition is made of institution's share of royalties?

21. What steps if any are taken to assure that all inventions are properly disclosed?

22. Does your institution have any institutional patent agreements (IPAs) with federal agencies? If so, list agencies

23. In negotiating sponsored research agreements with industry, do you accept requirements for sponsor to obtain:
    a. Title to all inventions
    b. Exclusive license
    c. Exclusive license for limited period
    d. Exclusive license for limited period with march-in rights for lack of diligence
    e. Nonexclusive license
    f. Other

24. Under the arrangements described in 23 above, is there any provision for royalties or other reimbursement to the university, such as increased indirect costs?

25. For inventions owned or controlled by the institution and not assigned to a patent management organization, which of the categories of 23 above best describe the institution's policies for assignment or licensing?

26. How many patents were applied for on your institution's inventions during the last ten years by:
    Inventor
    Institution
    Patent Management Organization
    Industrial Sponsor
    Government Sponsor

27. How many of the above patents issued?

28. How many of the patents in 27 were licensed?

APPENDIX B: INSTITUTIONS RESPONDING TO PATENT SURVEY

University of Akron
Ball State University
Boston College
Brown University
University of California System
California Institute of Technology
University of Cincinnati
Colorado State University Research Foundation
Concordia University
University of Connecticut
Cornell University
University of Dayton
University of Delaware
University of Denver
University of Georgia
University of Guelph
University of Houston
University of Illinois at Urbana-Champaign
University of Iowa
University of Kansas
Kansas State University
Kent State University
University of Kentucky
Universite Laval
University of Maryland
University of Michigan
University of Minnesota
University of Mississippi
University of Nebraska
University of New Mexico
Research Foundation of State University of New York
University of Oklahoma
University of Oregon
Princeton University
Purdue University
Rockefeller University
Rutgers University
Salk Institute
Simon Fraser University
University of Southern California
Southern Illinois University
Texas A&M Research Foundation
University of Toledo
University of Virginia
Virginia Polytechnic Institute and State University
Washington State University
University of Wisconsin
Yale University

Administrative Service supplements document principles, policies, practices and procedures in the field of college and university management. They provide additional information about subject fields or offer specific guidance in regard to generally accepted principles and policies. Supplements are the result of a comprehensive review process modeled after that used for the basic chapters of the Service.